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ABSTRACT

This training guide is intended for use by personnel who administer Federal Direct Loan Programs at institutions of higher education. Chapter 1 describes the program, the school's role, school eligibility criteria, the Department of Education's role, the 7-step electronic data exchange (EDE) process, and quality assurance. Chapter 2 explains set-up features for establishing codes and default operating parameters for EDExpress Direct Loan functions. Chapter 3 covers the data elements required to originate a loan record. Chapter 4 continues the explanation of loan records, showing how to export origination batches, browse the batch activity database, and import acknowledgments. Chapter 5 focuses on promissory notes, the official loan obligation document. Chapter 6 explains calculating and requesting drawdowns, a cash management activity. Chapter 7 lists the steps involved in disbursing Direct Loan funds. Chapter 8 explains reconciliation, the process which ensures that loan data stored at the loan origination center (LOC) agrees with local information. Chapter 9 discusses efficient and effective methods of using EDExpress, and Chapter 10 discusses the process for resolving student loan servicing problems. Appended are the Direct Loan Quality Assurance Planning Guide, examples of EDExpress reports, program-related phone numbers, sample promissory notes, and sample letters from the LOC to the school. (DB)

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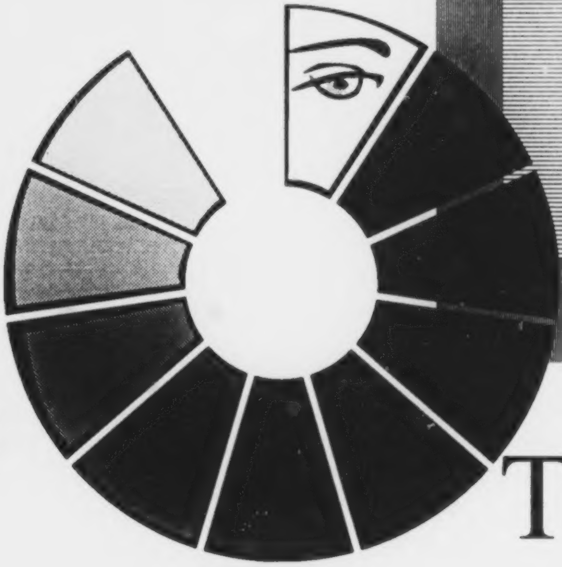
Chapter 1

Overview



This chapter provides a foundation for a discussion of the school's functions in the William D. Ford Federal Direct Loan Program (Direct Loan Program) and the related software applications.

1 Overview

Objectives

1. Understand the goals of the Direct Loan Program.
2. Identify the major participants of the program and describe their roles.
3. Understand how the Direct Loan Program works as a component of EDE and review the 7-step process.
4. Identify the levels of participation.
5. Understand the Quality Assurance component of the Direct Loan Program.

Program Description and Goals

Government-funded loans play an integral part in financing the costs of a postsecondary education. In response to increasing demands on diminishing federal resources and costs of the Federal Family Education Loan (FFEL) Programs, the Direct Loan Program was established under the Student Loan Reform Act of 1993. The Direct Loan Program began in the 1994-95 award year. Using loan capital provided by the federal government, the Direct Loan Program provides direct financing and delivery of funds to eligible borrowers to cover postsecondary education costs.

The purpose of the Direct Loan Program is to provide access to higher education in an affordable and efficient way. To accomplish this goal, the program:

- **Creates simple processes and flexible systems for borrowers and schools**. This streamlining is accomplished through:
    1. Using automated application and funding;
    2. Establishing student access to federal educational loan funds directly from the school; and
    3. Implementing U.S. Department of Education regulations that manage outcome rather than process.
- **Simplifies administrative tasks at schools**. The Direct Loan Program provides flexibility that allows schools to make choices about the procedures used for their students.
- **Assures superior administrative support and customer service**. An experienced management team in the Department of Education is responsible for maintaining the program's level of service and quality of support. This support is backed by a financial commitment mandated by law with funds specifically designated for administrative support.

Participants

As with any cooperative endeavor, the success of the Direct Loan Program depends on the effective interaction of all participants. This program is a partnership in which all players have an important role. The main participants in the Direct Loan Program are the borrowers, the schools, and the U.S. Department of Education (ED).

The Borrowers

The borrower is a central figure in this loan process and may be the student (for Federal Direct Stafford Loans) or the student's parents (for Federal Direct PLUS Loans). Regulations published December 1, 1995, expanded the definition of "parent" to include the student's stepparent, since the stepparent's income and assets would be taken into account in determining the student's expected family contribution.

The student borrower must:

- Complete and sign the Free Application for Federal Student Aid (FAFSA),
- Sign the promissory note,
- Participate in loan counseling, and
- Repay loans.

The parent borrower must:

- Borrow on behalf of an eligible dependent student,
- Complete the required application/promissory note and sign it,
- Pass a credit check, and
- Repay the loan.

The School

As a pivotal partner in the Direct Loan process, the school must meet and maintain specific eligibility criteria as well as manage the loan process. The school must also execute a Program Participation Agreement (PPA) Addendum with the Department of Education. The current PPA Addendum for the Direct Loan Program is an addition to the PPA for other Title IV programs.

The program has three origination options in which a school can participate—Standard, Option 1, and Option 2. Schools are notified by ED of the origination option at which they are eligible to participate. A school may choose to participate under an option with less responsibility and less control; however, a school cannot choose to participate under an option with more responsibility and more control.

In general:

- Standard origination schools receive promissory note management and funds management assistance from the Loan Origination Center but perform all other school origination functions.
- Option 1 schools receive funds management assistance from the Loan Origination Center but perform all other school origination functions.
- Option 2 schools perform all school origination functions.

Maintaining eligibility to originate loans for a specific option is based on criteria and performance standards including, but not limited to, timely submission of accurate origination and disbursement records, submission of completed and signed promissory notes (for Origination Option 1 and Option 2 schools), accurate and timely drawdown requests (for Origination Option 2 schools), and reconciling data monthly with the Loan Origination Center.

The charts on the following pages describe loan origination criteria and summarize the functions performed by both the school and the Loan Origination Center for each origination option. Detailed information on each option and the functions of the school and the Loan Origination Center will be discussed in subsequent chapters of this training guide.

S
Standard
1
Option 1
2
Option 2

Eligibility Criteria for All Option Schools

The following three criteria *must* be met by all schools to be eligible to participate in loan origination:

1. Meet the eligibility requirements in section 435(a) of the Higher Education Act.
2. Have a cohort default rate of less than 25 percent for at least one of the three most recent fiscal years (unless school is exempt under section 435(a)(2)(c)).
3. Must not be subject to an emergency action or a limitation, suspension, or termination action.

Option 1 and Option 2 schools must also meet the following requirements:

- Be currently participating in the Federal Perkins Loan Program or the Federal Pell Grant Program or, for a graduate or professional school, have participated in a similar program for the three most recent years (Option 2 only).
- Not be on the reimbursement payment method in the Federal Pell Grant Program.
- Have had no severe performance, audit, review, or program deficiencies for any of the Title IV programs.
- Be financially responsible in accordance with the standards of 34 CFR 668.15.
- Be current on program and financial reports and Title IV audits for the 12-month period immediately preceding the Direct Loan application date.
- Be current on required federal cash transaction reports and have no final determination of cash on hand that exceeds "immediate need."
- Have no material findings in annual financial audits submitted for the three most recent years preceding the application date to participate in the Direct Loan Program.
- Provide assurance that the school has no delinquent debts to the federal government (subject to certain exceptions).

Note:

Any school eligible to participate in the Direct Loan Program under § 685.400 is eligible to participate under Standard origination. However, to be eligible to participate under Option 1 or originate under Option 2, a school must meet the set of additional criteria listed above.

Functions	Standard	Option 1	Option 2
Create loan origination record	School	School	School
Transmit record to Loan Origination Center (LOC)	School	School	School
Prepare promissory note	LOC	School	School
Obtain completed/signed promissory note from borrower	LOC	School	School
NEW! Mail disclosure statement*	LOC	LOC/School	LOC/School
NEW! Mail promissory note shipping manifest to LOC (no electronic file)	N/A	School	School
Determine funding needs	LOC	LOC	School
Initiate drawdown of funds	LOC	LOC	School
Receive funds electronically	School	School	School
Receive actual disbursement roster	School	School	N/A
Disburse loan funds to borrower	School	School	School
Create disbursement record	School	School	School
Transmit disbursement record to LOC	School	School	School
Reconcile on monthly basis	School	School	School

*Schools have the option to print and distribute the disclosure statement, but must be authorized by ED to perform this function.

The Department of Education

The Department of Education is responsible for the overall administration of the Direct Loan Program and for facilitating interaction among all participants.

- ED has committed the resources necessary to fully support the Direct Loan Program
- The Direct Loan Task Force manages the policy and operational implementation of Direct Loans
- Direct Loan Regional Account Management Staff provides customer service and technical assistance to participating Direct Loan schools

The Department of Education provides maintenance and support services to schools by performing the following functions:

- Distributes instructional materials and supplies necessary software and technical specifications for computer support of the school's duties
- Provides technical and/or computer support for the drawdown process
- Develops Direct Loan regulations
- Provides training opportunities for relevant school personnel
- Bulk-produces promissory notes
- Designs and distributes entrance and exit counseling materials
- Monitors the Loan Origination and Servicing Centers through on-site personnel and other means
- Provides ongoing technical support in various ways, including access to support staff through a toll-free number for program assistance with a separate number for technical (software) assistance
- Provides on-site assistance if required
- Designs and conducts an ongoing program assessment

The Department of Education routinely monitors the program operation to ensure that the needs of students and schools are met, and the results of the ongoing assessments are used to determine whether program modifications are necessary.

The Loan Origination Center

The Department of Education's Direct Loan Origination Center (LOC) and Direct Loan Servicing Center are managed by private contractors. None of these contractors are considered a third party servicer. Under the management of Electronic Data Systems (EDS), the Direct Loan Origination Center (LOC):

- NEW! Reviews and accepts or rejects loan origination records, promissory notes, actual disbursement records, and all other related records
- Prints and mails disclosure statements to borrowers
- Prints and distributes promissory notes for Standard Origination schools, and for Option 1 and Option 2 schools if requested to do so by the school
- Conducts credit checks for Direct PLUS Loan borrowers
- Makes the loan an official and permanent obligation (books the loan)
- Determines the school's financial needs and requests funding for those schools under Origination Option 1 or Standard Origination
- Performs all related government accounting and reconciliation for the Direct Loan Servicing System
- Provides consolidation information to borrowers
- Provides customer service to school representatives (FAA officers)

The Servicing Center

Affiliated Computer Systems (ACS) manages the Direct Loan Servicing Center and performs the following functions:

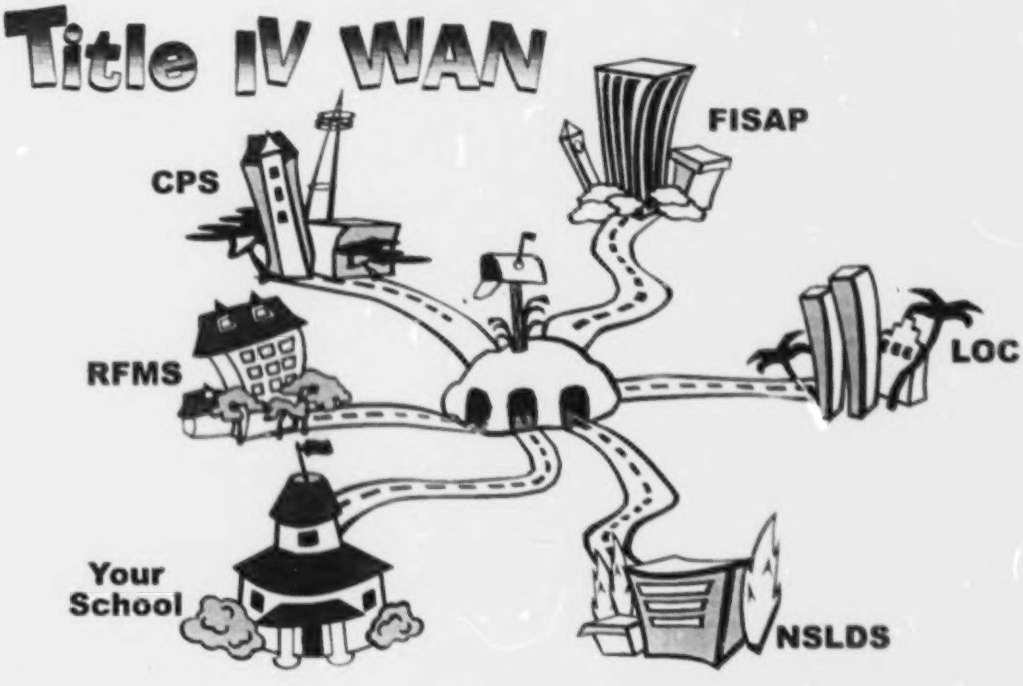
- Services the loan during in-school, grace, and repayment periods; performs all due diligence requirements, and most deferment certifications
- Collects the loan
- Provides customer service to borrowers

Electronic Processing

Schools participating in the Direct Loan Program are required to participate electronically and can use ED's software or develop their own software according to ED-provided specifications. ED's software:

- Provides a management tool to facilitate and enhance evaluation of school performance in this program,
- Supports school-related Direct Loan activities,
- Operates through the Electronic Data Exchange (EDE), and
- Allows participating schools to become EDE destination points or have a third party servicer act as an EDE destination point.

For additional information on EDE, call TIVWAN at **800/615-1189**.



The 7-Step EDE Process

The components of electronic data exchange (EDE) can be divided into the following seven steps:

1. Entering Data

Creating and saving any type of record using the EDExpress software or your own data entry software.

2. Exporting Data

Creating a batch of export records using either EDExpress or your own software.

3. Transmitting Data

Dialing the network and sending the data to a network mailbox.

4. Retrieving/Processing/Returning Data

Retrieving data posted to a network mailbox. The data is processed by the appropriate agency (LOC in the figure shown on the opposite page) and the processed information is returned to your network mailbox.

5. Receiving Data

Using EDconnect, sending an electronic request to the network to receive processed data.

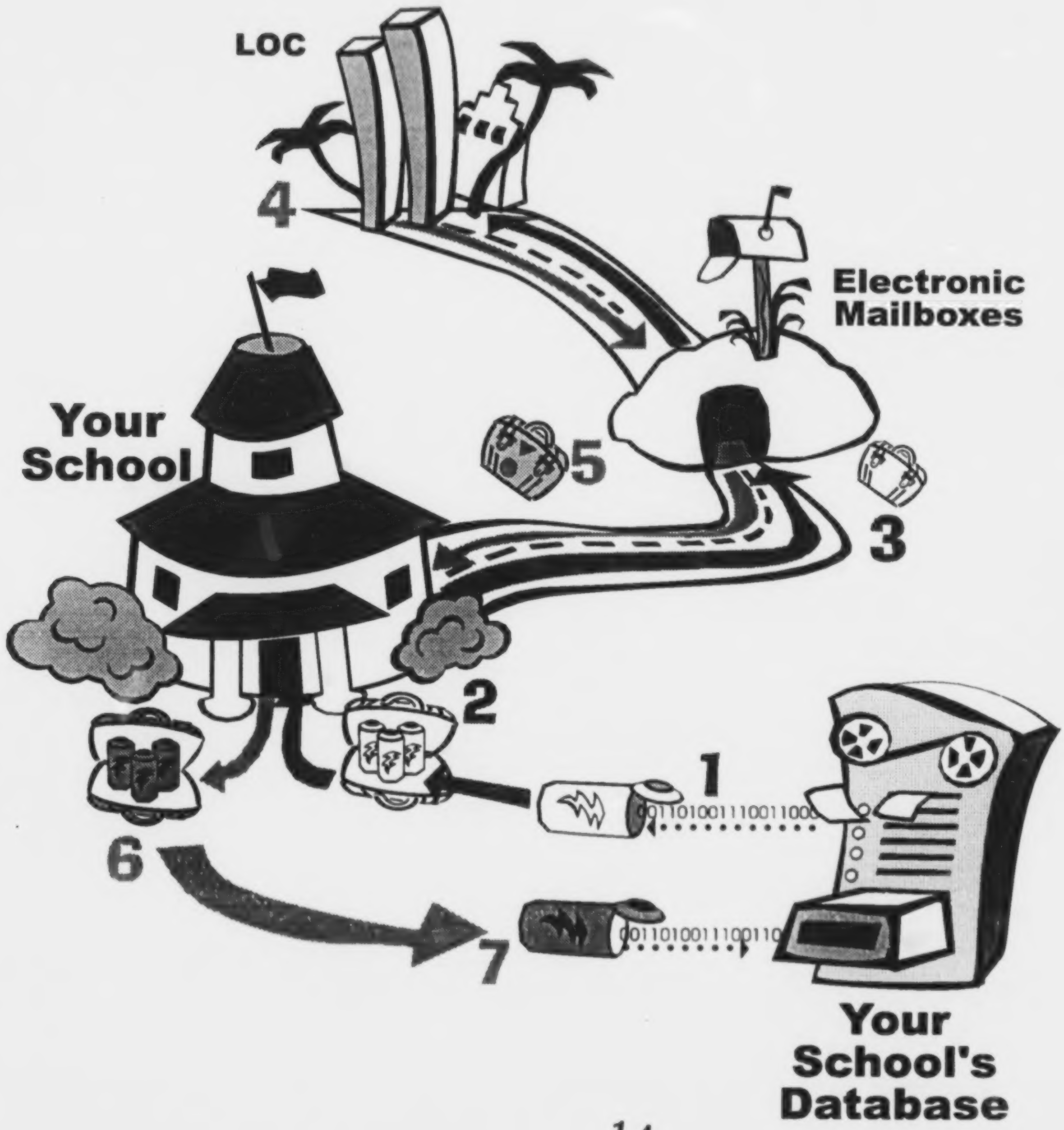
6. Importing Data

Importing records stored in batches on your PC or network into EDExpress or your own software package.

7. Managing Data

Using EDExpress or your software to review, print, and manipulate the records you have retrieved from the network.

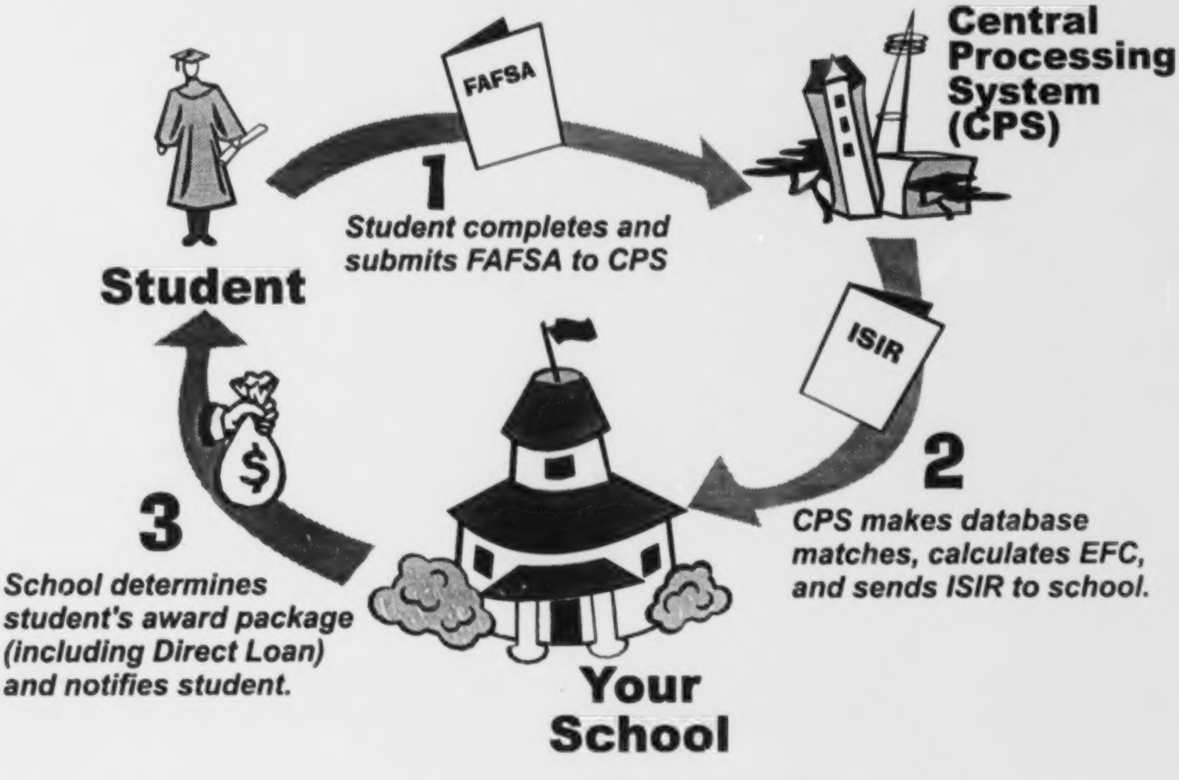
The 7-Step EDE Process


LOC
4
Electronic Mailboxes
Your School
5
3
2
1
0011010011110011000
6
7
0011010011110011
Your School's Database

School Functions

- Determine borrower eligibility and loan amounts
  - Student updates FAFSA
  - CPS calculates EFC and sends ISIR to school
  - School determines award package

Determining Eligibility and Loan Amount for Direct Subsidized and Unsubsidized Stafford Loans


Central Processing System (CPS)
FAFSA
1
Student completes and submits FAFSA to CPS
Student
ISIR
2
CPS makes database matches, calculates EFC, and sends ISIR to school.
$
3
School determines student's award package (including Direct Loan) and notifies student.
Your School

- Create loan origination records
- Obtain signed promissory notes from borrowers (school origination Options 1 and 2 only)
- Send loan origination records to Loan Origination Center
- Print and send disclosure statement to borrower (optional)
- Send signed promissory notes to Loan Origination Center (school origination Options 1 and 2 only)
- Request Direct Loan funds (school origination Option 2 only)
- Receive Direct Loan funds from the Department of Education
- Certify borrower enrollment status
- Disburse loans to eligible borrowers
- Reconcile the Direct Loan School Account Statement to the school's internal records (Direct Loan database with general ledger)
- Provide required entrance and exit counseling to students
- Implement a quality assurance system, as established by the Department of Education

The Direct Loan Origination Center performs some loan functions for origination Option 1 and Standard origination schools.

Your School

Implementation Discussion Items

The Department of Education has shaped the Direct Loan program to maximize your opportunity to select a method or procedure most suited to your needs. Direct Loans provide flexibility in your implementation approach. You should consider a variety of school-specific factors in determining your strategy, including:

- Types of Federal Family Education Loan Program (FFELP) activities previously performed
- Interest in and eligibility to perform origination functions
- Level of automation
- Level of computer support on campus
- Personnel who currently handle loan functions
- Population, in terms of composition and enrollment patterns

Quality Assurance

The Direct Loan Program is an opportunity for you to build Quality Assurance (QA) processes into your student aid program to maintain program integrity and maximize service to students. Institutions frequently assess their procedures and take action to strengthen areas of vulnerability. Problems can be detected and corrected before they become institutional liabilities in audits and program reviews.

Quality Assurance is based on the concepts of continuous improvement, which uses:

- Strategic planning
- Employee involvement
- Structured problem solving
- Performance measures
- Corrective action

Direct Loan Quality Assurance

The Department of Education provides tools to assist you in conducting quality assurance activities for Direct Loans in the *QA Planning Guide* and by providing quantitative measurement tools in the EDExpress software. These tools ease implementation for institutions that are new to quality assurance.

The *QA Planning Guide* serves as an *optional* technical assistance document for a Direct Loan QA system and contains a five-step quality assurance model and quality assurance worksheets. The measurement tools in EDExpress provide 13 optional reports that institutions can use to monitor current operations, procedures, and program status.

You can meet the QA requirement in the Direct Loan Program by any one of the following options:

- Completing the **Direct Loan Management Assessment** contained in the *QA Planning Guide* appendix and implementing corrective actions
- Completing the **Title IV Wide Management Assessment** contained in the *QA Planning Guide* and implementing corrective actions
- Running the **Measurement Tools** function in the EDExpress software and assessing the results to implement corrective actions
- Using the NASFAA *Self-Evaluation Guide*
- Using any comparable quality assurance methodology or analysis

Note:

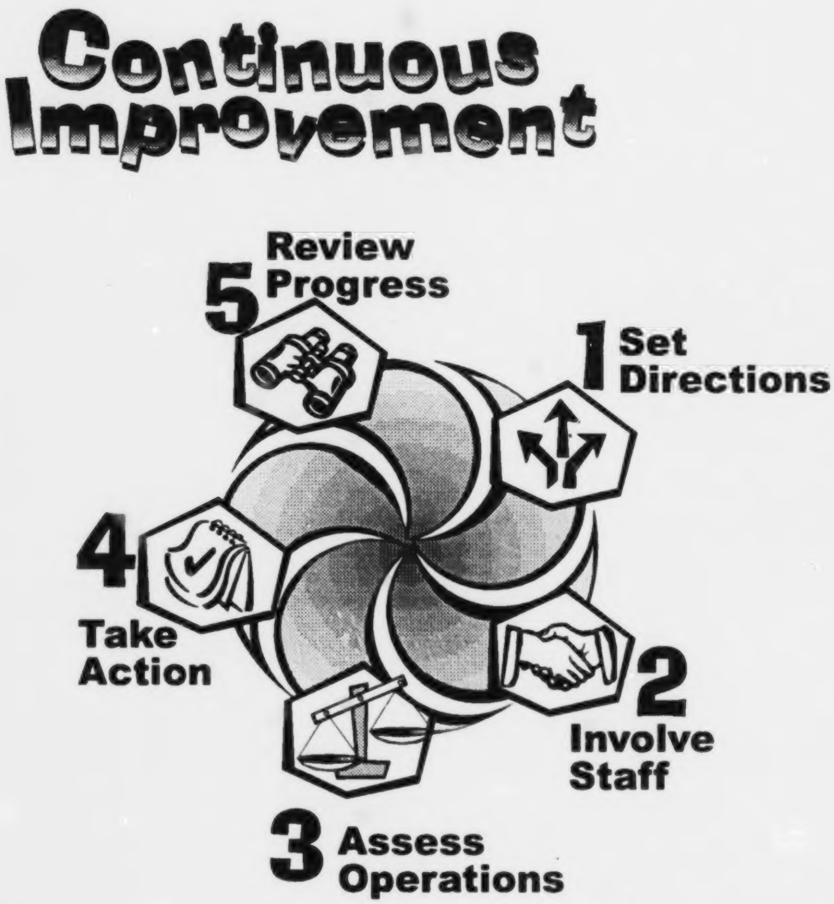
Institutions participating in **both** *the Quality Assurance Program (QAP)* **and** *the Direct Loan Program are not required to complete the Direct Loan Management Assessment or adopt any additional self-assessment. These institutions complete the Title IV Management Assessment worksheets prescribed by ED's QA Program.*

Although you may be concerned about implementing a QA system at your institution, a QA system gives you the opportunity to develop resource-effective and institution-specific procedures that:

- Support integrity in the Direct Loan Program
- Are tailored to an individual institution's characteristics and needs

The QA system for the Direct Loan Program helps you continually assess and improve your policies and procedures for administering the Direct Loan Program, and delivering funds and services to students. It also helps ensure proper stewardship of federal financial funds.

Inquiries about the Direct Loan Quality Assurance requirements should be directed to the regional office of the Direct Loan Account Management Group that serves your institution. For additional information about quality assurance principles and activities, you may contact the Performance and Accountability Improvement Branch (PAIB) at 202/260-4788.



Basic Concepts of Continuous Improvement

As in the Direct Loan QA system provided in *The Direct Loan Quality Assurance Planning Guide* included in Appendix A, your quality assurance system should be based on accepted quality assurance practices that focus on program integrity and customer needs. For example, the Direct Loan QA system consists of five steps:

> **Step One—Setting the Directions:** Making a realistic effort to maintain a program focused on continuous improvement by involving institutional managers, planning an implementation schedule, and focusing on improving service to students.
>
> **Step Two—Involving Staff:** Seeking broad-based involvement of staff at all levels and across all offices to develop and be committed to creative solutions.
>
> **Step Three—Assessing Operations:** Using the Direct Loan Program Management Worksheet (included on page 12 of the QA Planning Guide) to evaluate operations and prioritize areas of vulnerability that need to be addressed.
>
> **Step Four—Taking Action:** Using the Management Action Plan Worksheet (included on page 22 of the QA Planning Guide) to plan corrective activities and monitor progress.
>
> **Step Five—Reviewing Progress:** Performing ongoing assessments that focus on areas in which changes were introduced or where federal requirements have changed.

The steps are structured, progressive, interrelated, and cyclical. Each step builds on the step that precedes it. Additional information in the *QA Planning Guide* will help you establish your QA systems for Direct Lending by providing you with the information necessary to:

- Assess how well your systems are performing
- Decide where to focus resources to improve performance

Measurement Tools in EDExpress

Included in the EDExpress software is a module called Measurement Tools that is designed to assist you with a quantitative self-evaluation of your school's Direct Loan Program policies and procedures.

Measurement Tools consists of a set of reports that are a part of the Direct Loan Program QA component. These reports provide valuable information for you to use for monitoring current operations, procedures, and program status. You decide which reports to use, when to run them, and what action to take as a result. After taking action to improve the process, the reports can be used to review the program as part of ongoing continuous improvement.

Reporting

ED has no reporting requirement for Direct Loan quality assurance activities. You are required to maintain documentation regarding quality assurance system activities in a QA Master File at your institution.

However, institutions participating in ***both*** ED's Quality Assurance Program ***and*** the Direct Loan Program complete a Title IV Wide Management Assessment Worksheet (MA 3a, or 3b & 3c) and report results using routine QAP reporting procedures.

ED's Quality Assurance Program (QAP)

In addition to the quality assurance component of the Direct Loan program, many schools also participate in the Quality Assurance Program (QAP). QAP began in 1985 and now has participating institutions of all types that represent all the national regions. Institutions participating in QAP engage in continuous improvement through both *qualitative* self-assessment and *quantitative* measurement of their operations.

QAP institutions:

- Develop their own procedures for achieving award accuracy
- Measure the effectiveness of their systems
- Design and implement corrective actions

ED's QAP has demonstrated the value of quality assurance as a cooperative effort between ED and institutions. Working together in a partnership based on trust and mutual good faith provides:

- Better stewardship of the federal aid programs
- Improved service to students

In exchange for a QAP institution's accountability for identifying and correcting areas of vulnerability, ED:

- Does not extrapolate variances or assess liability related to its QA measurement
- Exempts institutions from certain regulations related to student verification requirements
- Provides annual training and technical assistance

The QA system outlined in the Direct Loan *QA Planning Guide* follows QAP concepts, but it differs somewhat for schools that are not currently in the QAP. For example, QAP institutions enjoy an exemption from verification regulations that is not available to non-QAP institutions.

To learn more about ED's Quality Assurance Program, contact:

Performance and Accountability Improvement Branch
U.S. Department of Education
600 Independence Avenue, S.W.
ROB-3, Room 3925
Washington, D.C. 20202-5232
(202) 260-4788

Discussion Questions for Chapter 1

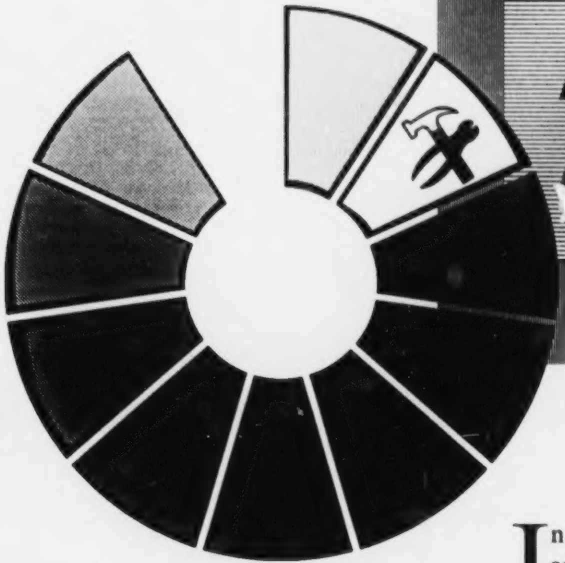
1. Who are the three major participants in Direct Loans?

2. Can Standard origination schools initiate a drawdown of funds?

3. Is the EDE process for Direct Loan different than it is for other types of data?

4. What are the five steps of continuous improvement for Direct Loan quality assurance?

Chapter 2



EDExpress Direct Loan Setup

In this chapter, you'll read about setup features which establish codes and default operating parameters for EDExpress Direct Loan functions. In addition, this chapter covers general navigation and Windows system issues.

Objectives

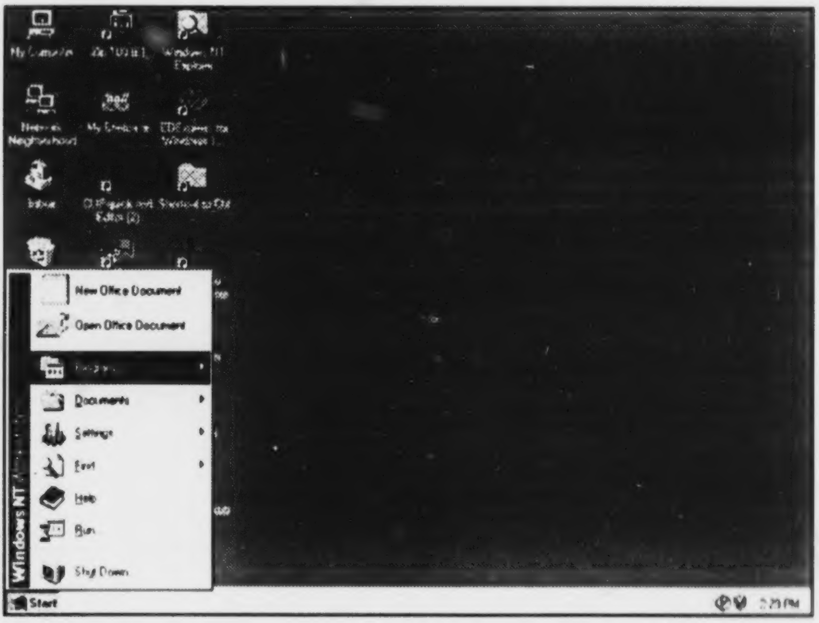
1. Log in and navigate the software using dynamic menu options.
2. Identify methods to locate Help for a topic.
3. Establish your Direct Loan institution code.
4. Establish system parameters.
5. Define disbursement profiles.
6. Establish Anticipated Completion Dates.
7. Accurately print promissory notes.

Starting EDExpress for Windows

When you install EDExpress for Windows, a program group is created with icons for the software. You start EDExpress from its program folder or a shortcut. In this section, you will learn how to load the software and navigate through its menus.

Loading EDExpress

When you install EDExpress and use the suggested directory and path, the software is loaded in the group EDESuite.


My Computer
Network Neighborhood
Inbox
New Office Document
Open Office Document
Programs
Documents
Settings
Find
Help
Run
Shut Down
Windows NT
Start

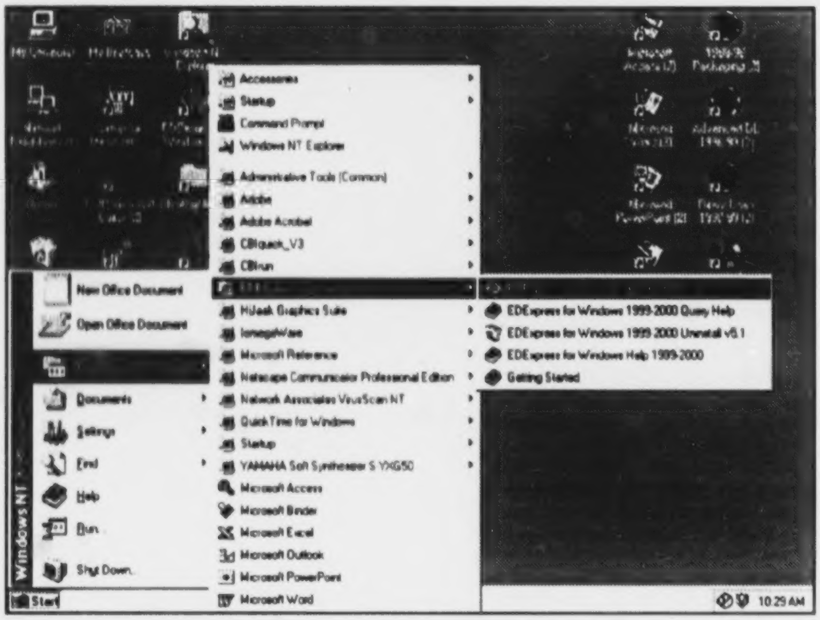
*To install the software, click on the **Start** button. Then click **Run...***

*After loading EDExpress click **Start/Programs** to start the software.*

2 EDExpress Direct Loan Setup

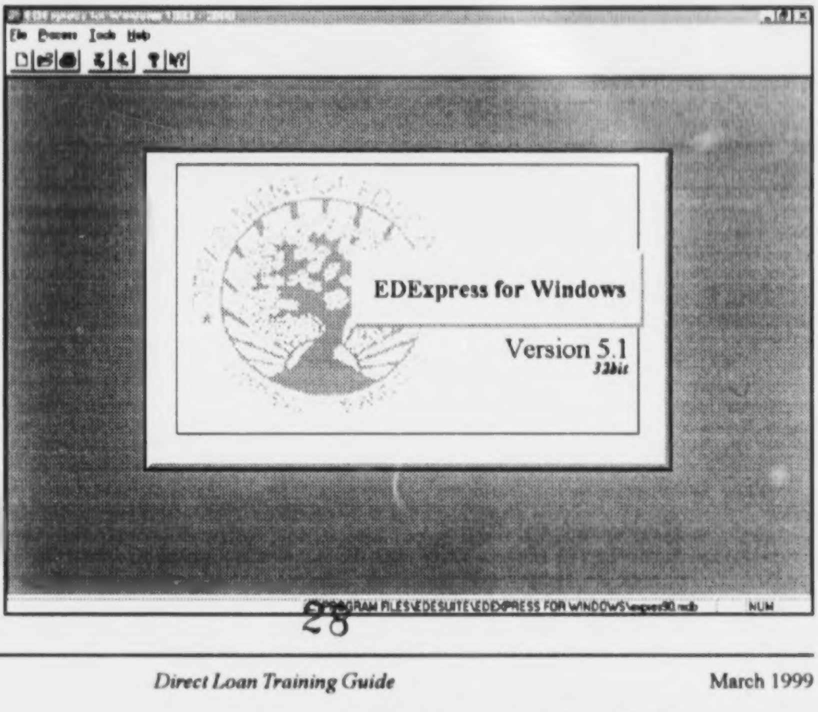
*Select the **EDESuite** folder, then the **EDExpress for Windows 1999-2000** folder.*

You can also create and use a shortcut for the desktop.

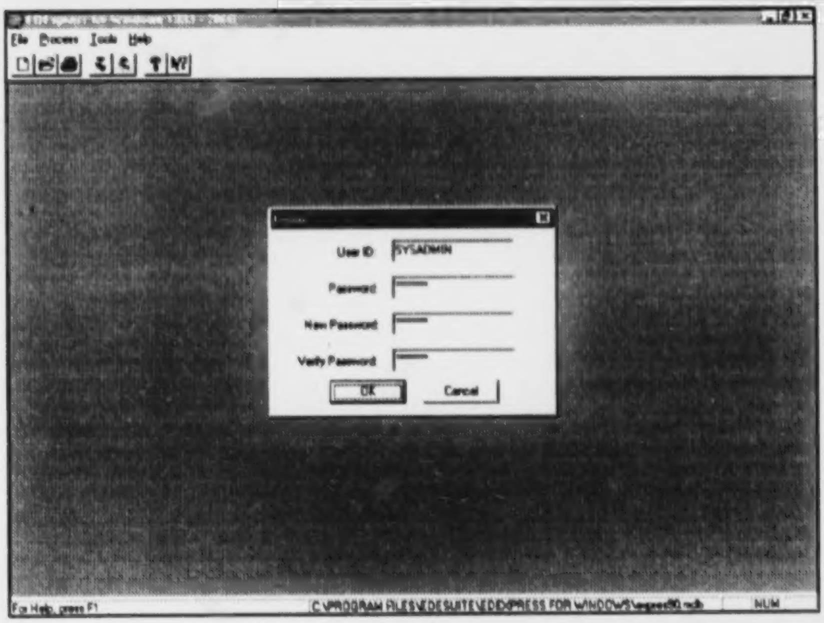

Accessories
Startup
Command Prompt
Windows NT Explorer
Administrative Tools (Common)
Adobe
Adobe Acrobat
CBIquick_V3
CBIrun
HiJaak Graphics Suite
ImageWare
Microsoft Reference
Netscape Communicator Professional Edition
Network Associates VirusScan NT
QuickTime for Windows
Startup
YAMAHA Soft Synthesizer S YXG50
Microsoft Access
Microsoft Binder
Microsoft Excel
Microsoft Outlook
Microsoft PowerPoint
Microsoft Word
EDExpress for Windows 1999-2000 Query Help
EDExpress for Windows 1999-2000 Uninstall v5.1
EDExpress for Windows Help 1999-2000
Getting Started
New Office Document
Open Office Document
Documents
Settings
Find
Help
Run...
Shut Down...
Windows NT
Start
10:29 AM

Note:

You can open the EDExpress Help and Getting Started files without starting the EDExpress software.


File Process Tools Help
EDExpress for Windows
Version 5.1
32bit
PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Login Procedure


File
Process
Tools
Help
Password
New Password
Verify Password
OK
Cancel
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres80.mdb
NUM

User ID: SYSADMIN

To log in:

EDExpress is delivered with one user ID and password (SYSADMIN) to use the first time you log in. When you log in, you are prompted to change the default password.

*Type **SYSADMIN**.*

*Press **Tab** to move to the New Password field and type **password**. Press **Tab** and type **password** again in the Verify Password field.*

Remember:

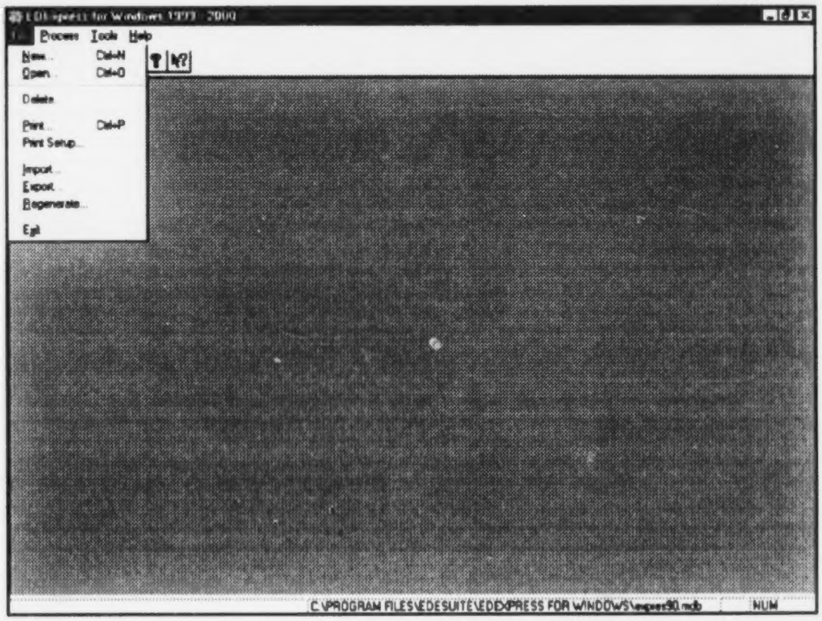
The first time you log in to EDExpress, you are prompted to change the default password from SYSADMIN to another password that you choose.

Tip:

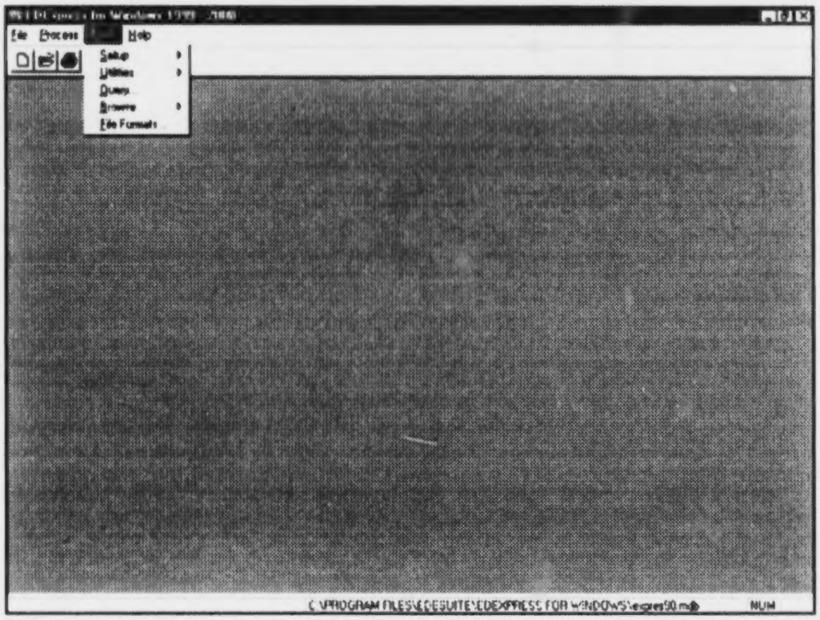
After initial login, you should create at least one new user group and user ID in addition to the System Administrator.

Navigation

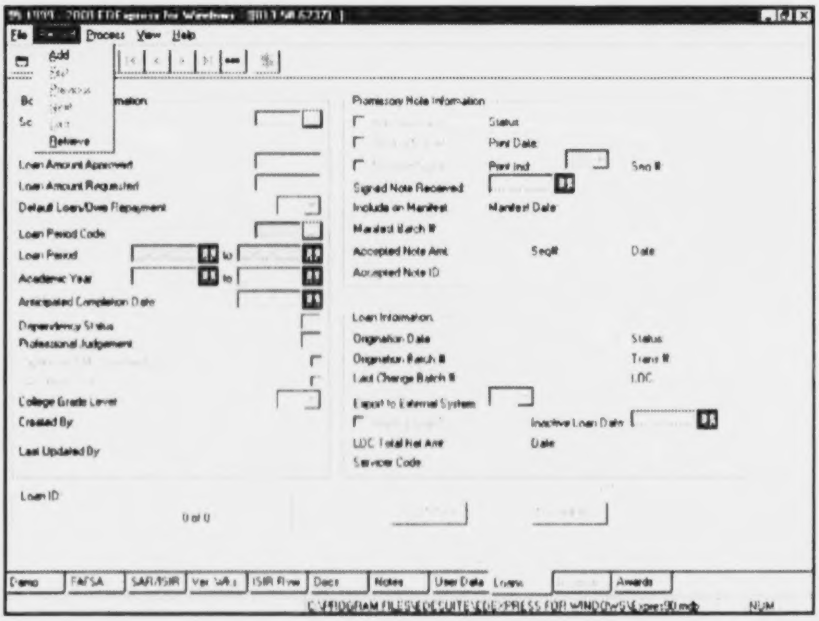
EDExpress for Windows was developed using Windows standards for menu structuring. If you use other Windows software packages, many of the menu options will be familiar to you. Beginning with version 5.0 of EDExpress, all menus are dynamic; that is, the menu options change depending on the screen or function displayed. At the global level, only global options are displayed. These are functions such as Print and Export under File, and Setup under Tools. When you are viewing a student's record, only options specific to the record or tab displayed are available, such as Process, Originate. (Note: All illustrations in this guide show EDExpress running in Windows NT.)


EDExpress for Windows 1999 - 2000
Process
Tools
Help
New... Ctrl+N
Open... Ctrl+O
Delete
Print... Ctrl+P
Print Setup...
Import...
Export...
Regenerate...
Exit
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

*The **File** menu includes many of the operations for creating and accessing records, including the import and export of records. The **Print** function uses the Windows printer drivers installed on your computer.*

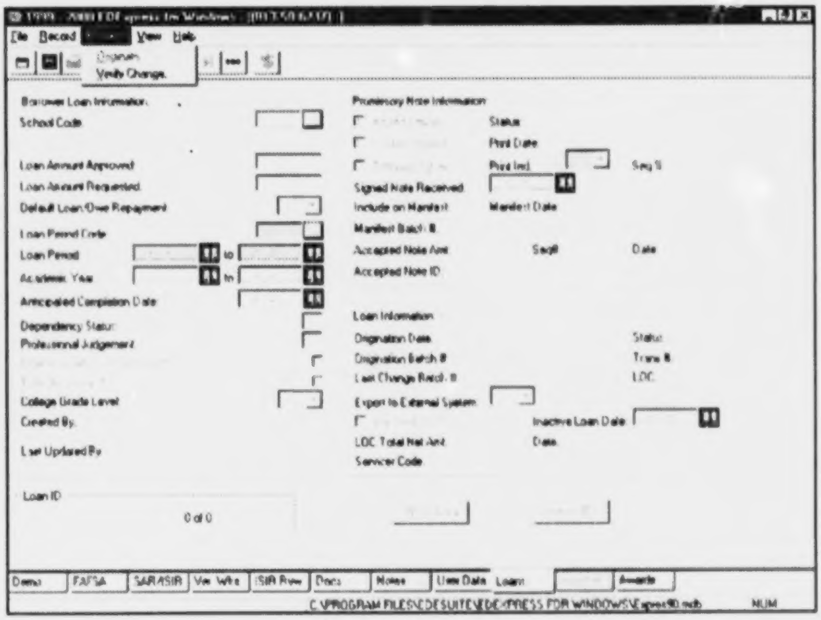

EDExpress for Windows 1999 - 2000
File
Process
Help
Setup
Utilities
Query...
Browse
File Formats...
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

*The **Tools** menu consists of options that are used to set up the software, define software functions, and view data.*


1999 - 2000 EDExpress for Windows
File
Process
View
Help
Add
Save
Previous
Next
Last
Retrieve
Loan Amount Approved
Loan Amount Requested
Default Loan/Over Repayment
Loan Period Code
Loan Period
to
Academic Year
to
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level
Created By
Last Updated By
Promissory Note Information
Status
Print Date
Print Ind
Seq #
Signed Note Received
Include on Manifest
Manifest Date
Manifest Batch #
Accepted Note Amt
Seq#
Date
Accepted Note ID
Loan Information
Origination Date
Status
Origination Batch #
Trans #
Last Change Batch #
LOC
Export to External System
Inactive Loan Date
LOC Total Net Amt
Date
Servicer Code
Loan ID
0 of 0
Demo
FAFSA
SAR/ISIR
Ver WKs
ISIR Flow
Docs
Notes
User Data
Loans
Awards
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

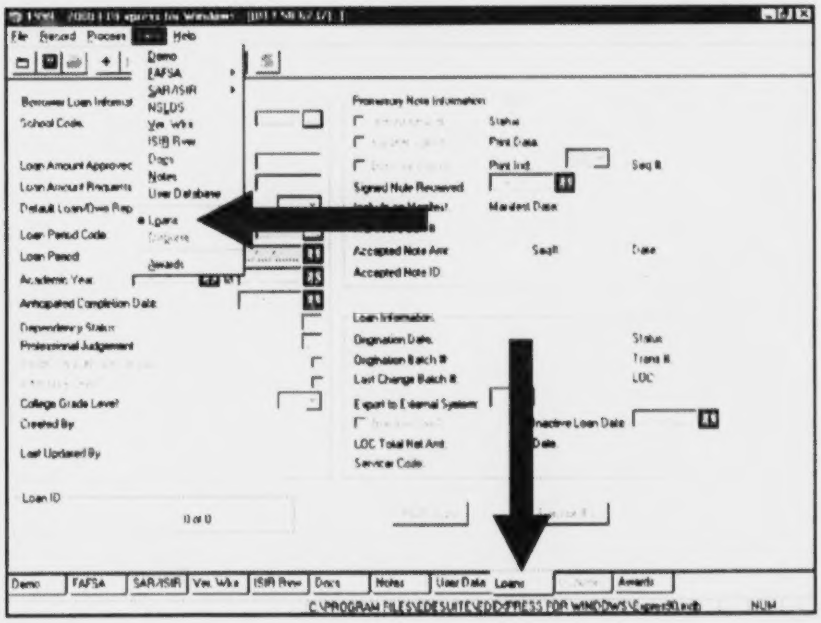
*The **Record** pull-down menu is used to move between the database records. For example, if a student has more than one loan record, you can use the Retrieve option to find the loan you want to work with.*

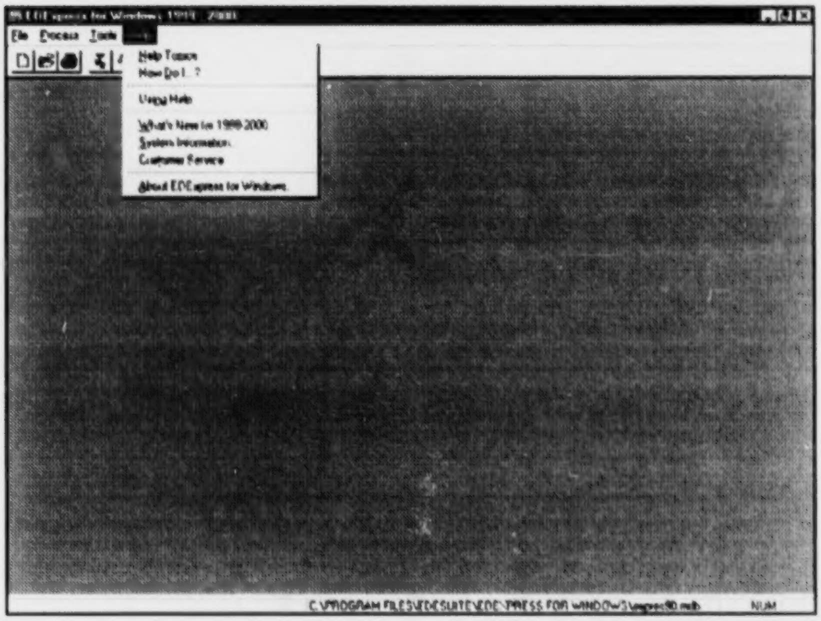
*The **Process** menu includes options that are specific to the Direct Loan processes (i.e. Originate and Verify Change).*


File Record View Help
Originate
Verify Change
Borrower Loan Information
School Code
Loan Amount Approved
Loan Amount Requested
Default Loan/Owe Repayment
Loan Period Code
Loan Period
Academic Year
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level
Created By
Last Updated By
Loan ID
0 of 0
Promissory Note Information
Status
Print Date
Print Ind
Seq #
Signed Note Received
Include on Manifest
Manifest Date
Manifest Batch #
Accepted Note Amt
Seq#
Date
Accepted Note ID
Loan Information
Origination Date
Status
Origination Batch #
Trans #
Last Change Batch #
LOC
Export to External System
Inactive Loan Date
LOC Total Net Amt
Date
Servicer Code
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Awards
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Each student's record is composed of several types of data, each of which appear on a separate screen, or tab.

*The **View** menu allows you to select and open available tabs. You can also move between tabs in an open record by clicking on the tabs at the bottom of each screen when a record is open.*

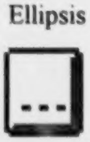

File Record Process View Help
Demo
FAFSA
SAR/ISIR
NSLDS
Ver. Wks
ISIR Rvw
Docs
Notes
User Database
Loans
Awards
Borrower Loan Information
School Code
Loan Amount Approved
Loan Amount Requested
Default Loan/Owe Repayment
Loan Period Code
Loan Period
Academic Year
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level
Created By
Last Updated By
Loan ID
0 of 0
Promissory Note Information
Status
Print Date
Print Ind
Seq #
Signed Note Received
Include on Manifest
Manifest Date
Accepted Note Amt
Seq#
Date
Accepted Note ID
Loan Information
Origination Date
Status
Origination Batch #
Trans #
Last Change Batch #
LOC
Export to External System
Inactive Loan Date
LOC Total Net Amt
Date
Servicer Code
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Awards
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM


EDExpress for Windows 1999 - 2000
File Process Tools
Help Topics
How Do I...?
Using Help
What's New for 1999-2000
System Information
Customer Service
About EDExpress for Windows
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

*The **Help** menu has options for viewing Help, for seeing information about your PC, and for viewing software copyright information.*

Ellipsis Button

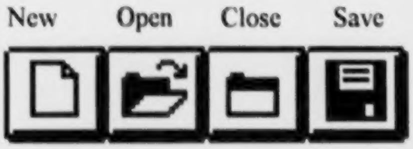
For data fields that have a selection of predefined values, clicking on an ellipsis button displays a dialog box listing the values.



Toolbar

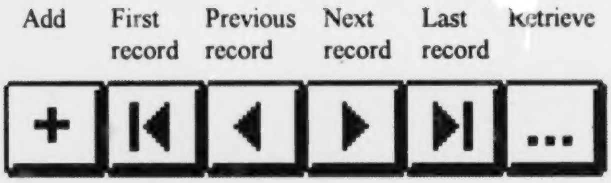
The Toolbar provides buttons that you click to access features that are also on the menus. As in menu navigation, toolbars only display functions relevant to your location in the software. Different buttons display depending upon what you are doing.

The toolbar buttons below perform functions that are also available on the File menu, both globally and within a student record.

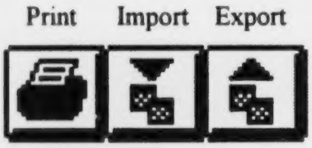

New
Open
Close
Save

BEST COPY AVAILABLE

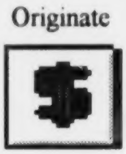
The toolbar buttons below perform functions that are also available on the Record menu within the SAR/ISIR tab.


Add
First record
Previous record
Next record
Last record
Retrieve
+
...

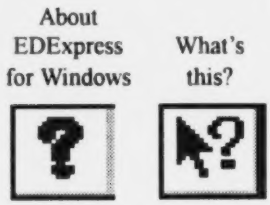
The toolbar buttons below perform functions that are also available on the File menu.


Print
Import
Export

This button performs the origination function that is also available on the Process menu within the Loans tab.

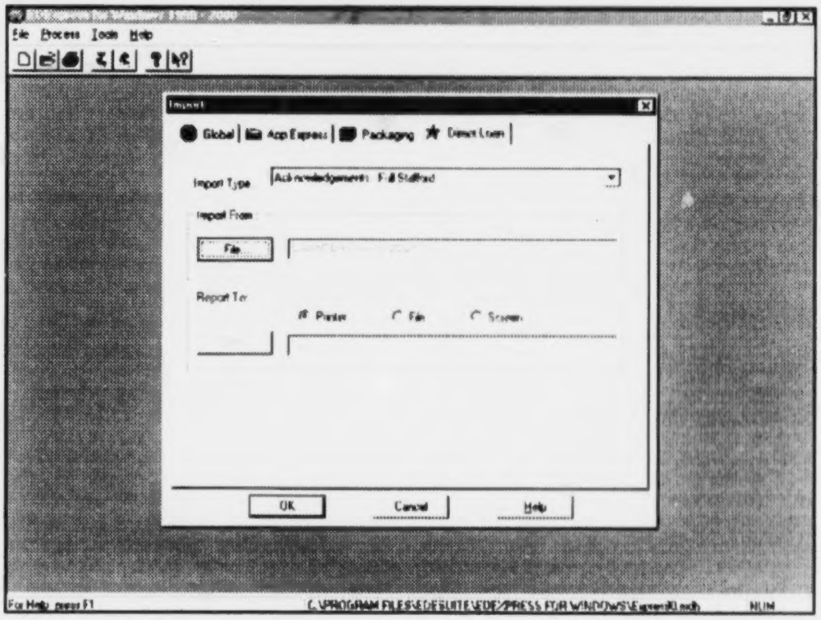


The question mark button opens the About EDExpress for Windows information. The button with the arrow and question mark is the What's This? button. To view Help for a specific item, click the What's This? button and then click the item.


About EDExpress for Windows
What's this?
?
?

File Dialog Boxes

When importing, exporting, or printing in EDExpress for Windows, you see **File...** buttons that open dialogs for establishing a directory path and file name.


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
File...
OK
Cancel
Help
For Help, press F1
NUM

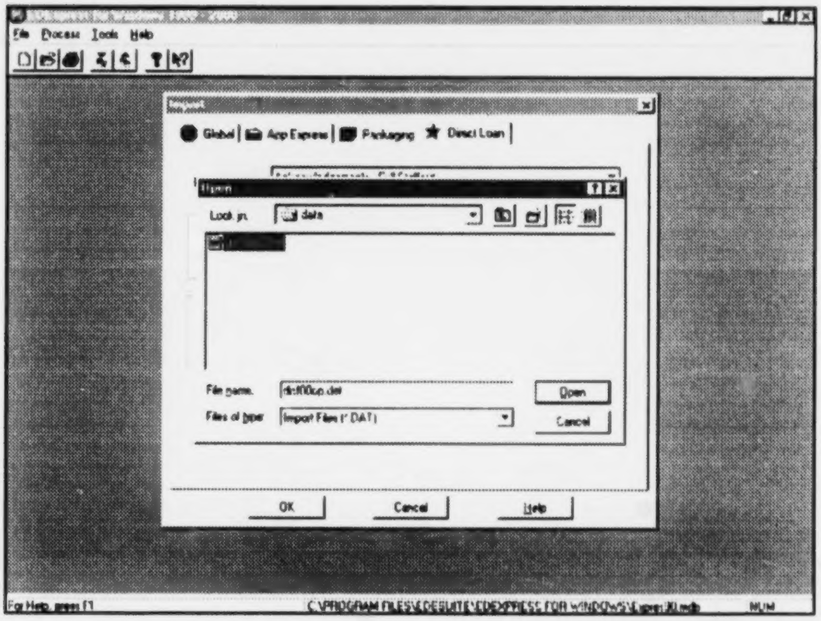
Import Type: Acknowledgements: Full Stafford

Import From

Report To: ● Printer ○ File ○ Screen

In this example, we are importing an acknowledgement.

*Click the **File...** to select the file to import from.*


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Open
Open
Cancel
OK
Cancel
Help
For Help, press F1
NUM

Look in: data

File name: dlct00op.dat

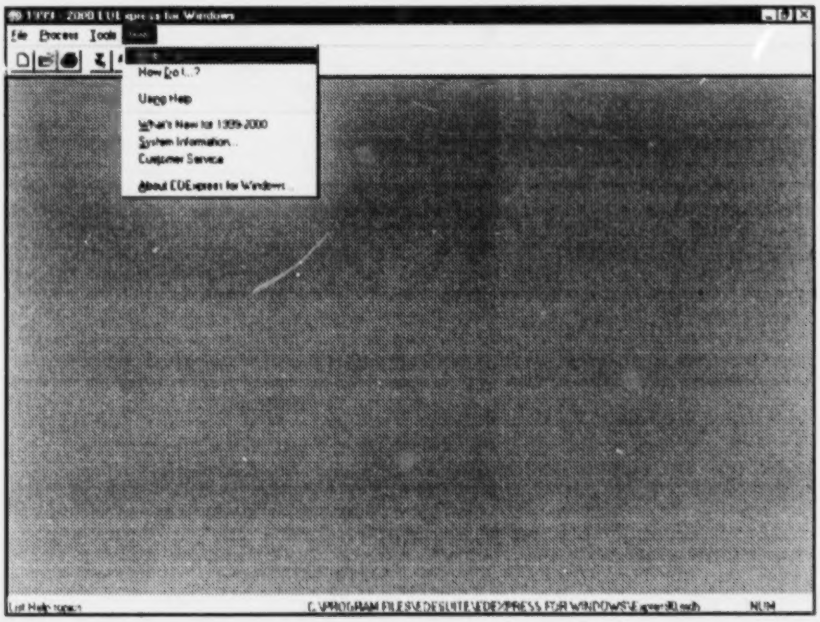
Files of type: Import Files (*.DAT)

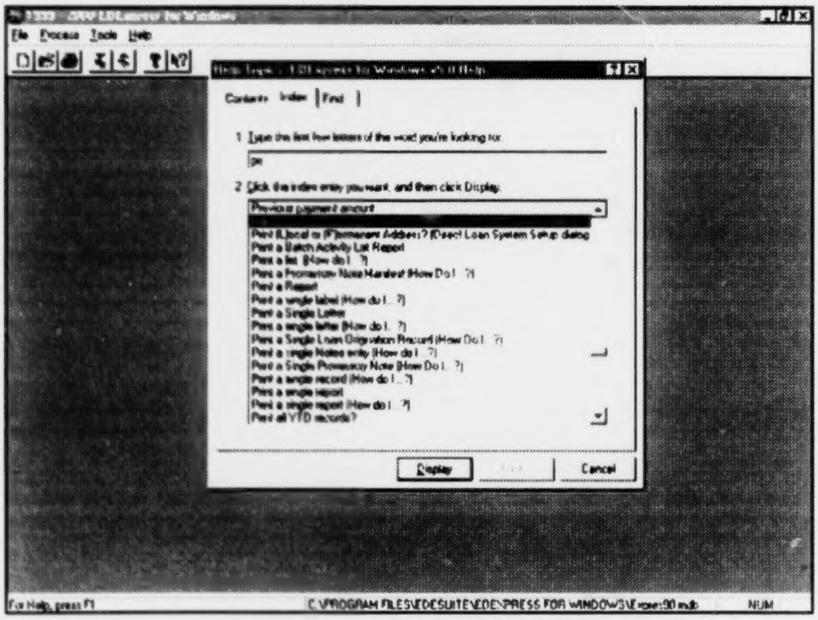
*The **Open** dialog box appears. One file is available. Click on the name of the file. Then, click Open. Now EDExpress will import this file.*

Help

All of the user documentation for EDExpress for Windows is contained in Help. Help for a particular topic can be found by pressing the **F1** key while a field is highlighted or a dialog box is displayed. Help may also be accessed from the Help menu. Several options for accessing a particular topic are provided.

Select ***Help*** *from the menu bar. Select* ***Help Topics*** *to view a list of topics.*


File
Process
Tools
How Do I...?
Using Help
What's New for 1999-2000
System Information...
Customer Service
About EDExpress for Windows...
NUM


File Process Tools Help
Help Topics: EDExpress for Windows v5.0 Help
Contents Index Find
Display Cancel
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb NUM

1 Type the first few letters of the word you're looking for.

pr

2 Click the index entry you want, and then click Display.

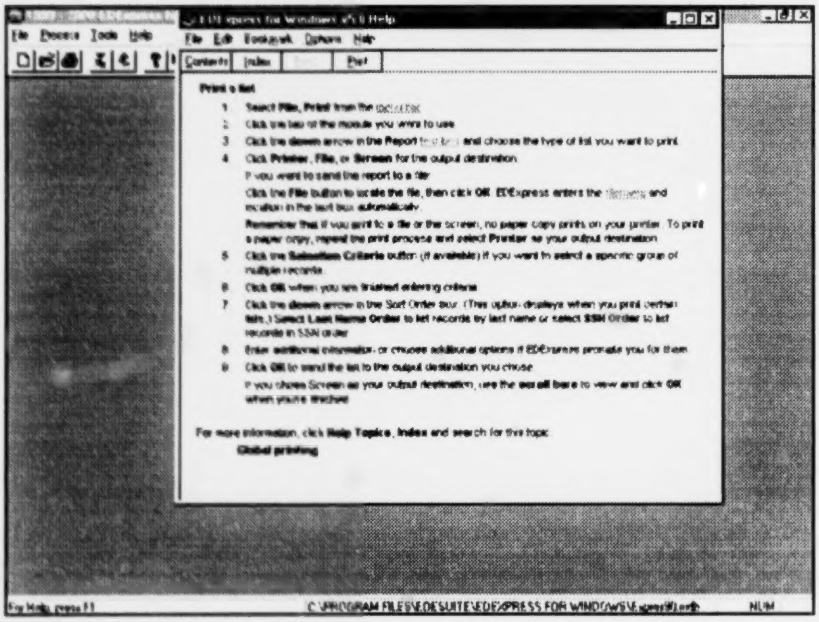
Previous payment amount
Print (L)ocal or (P)ermanent Address? (Direct Loan System Setup dialog
Print a Batch Activity List Report
Print a list (How do I...?)
Print a Promissory Note Manifest (How Do I...?)
Print a Report
Print a single label (How do I...?)
Print a Single Letter
Print a single letter (How do I...?)
Print a Single Loan Origination Record (How Do I...?)
Print a single Notes entry (How do I...?)
Print a Single Promissory Note (How Do I...?)
Print a single record (How do I...?)
Print a single report
Print a single report (How do I...?)
Print all YTD records?

The Index tab provide topics in an alphabetically searchable list.

Type the word you want to find. The list is displayed alphabetically based on the letters you type.

In this example, as you begin to type "print," the list jumps to the first word matching the letters typed.

*When you locate your topic, click **Display** to view the selected topics.*


EDExpress for Windows v5.0 Help
File Edit Bookmark Options Help
Contents Index Back Print
File Process Tools Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb NUM

Print a list

1 Select **File, Print** from the toolbar.
2 Click the tab of the module you want to use.
3 Click the **down** arrow in the **Report** text box and choose the type of list you want to print.
4 Click **Printer**, **File**, or **Screen** for the output destination.
If you want to send the report to a file:
Click the **File** button to locate the file, then click **OK**. EDExpress enters the directory and location in the text box automatically.
Remember that if you print to a file or the screen, no paper copy prints on your printer. To print a paper copy, repeat the print process and select **Printer** as your output destination.
5 Click the **Selection Criteria** button (if available) if you want to select a specific group of multiple records.
6 Click **OK** when you are finished entering criteria.
7 Click the **down** arrow in the Sort Order box. (This option displays when you print certain lists.) Select **Last Name Order** to list records by last name or select **SSN Order** to list records in SSN order.
8 Enter additional information or choose additional options if EDExpress prompts you for them.
9 Click **OK** to send the list to the output destination you chose.
If you chose Screen as your output destination, use the **scroll bars** to view and click **OK** when you're finished.

For more information, click **Help Topics**, **Index** and search for this topic:
Global printing

This topic provides the How Do I?... instructions for printing a list.

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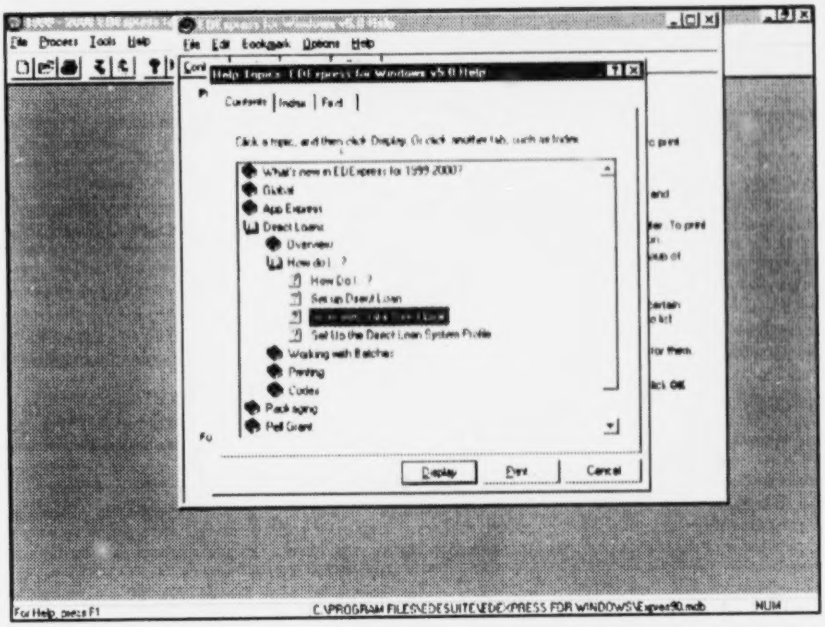
EDExpress Direct Loan Setup

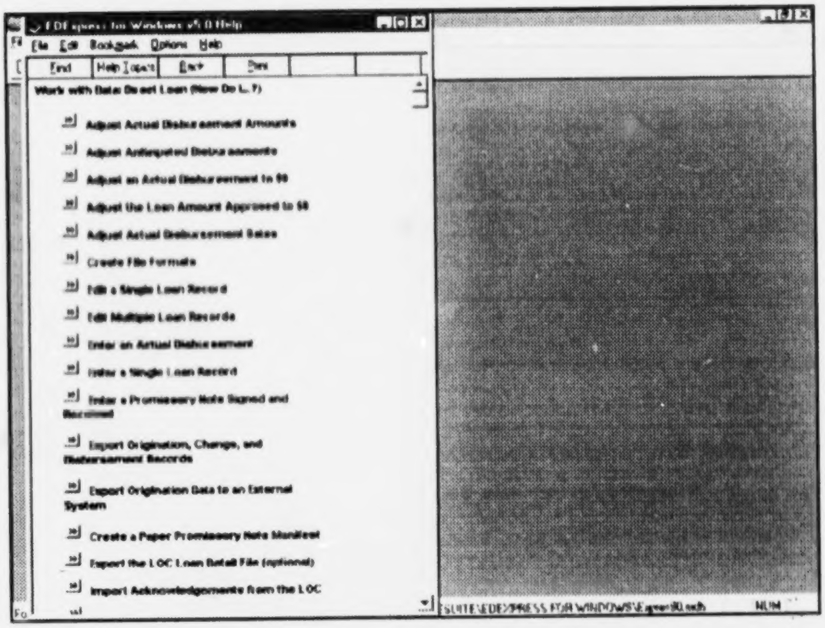
Think of each topic as a topic in a user's guide. Click on a main topic to see its sub-topics.

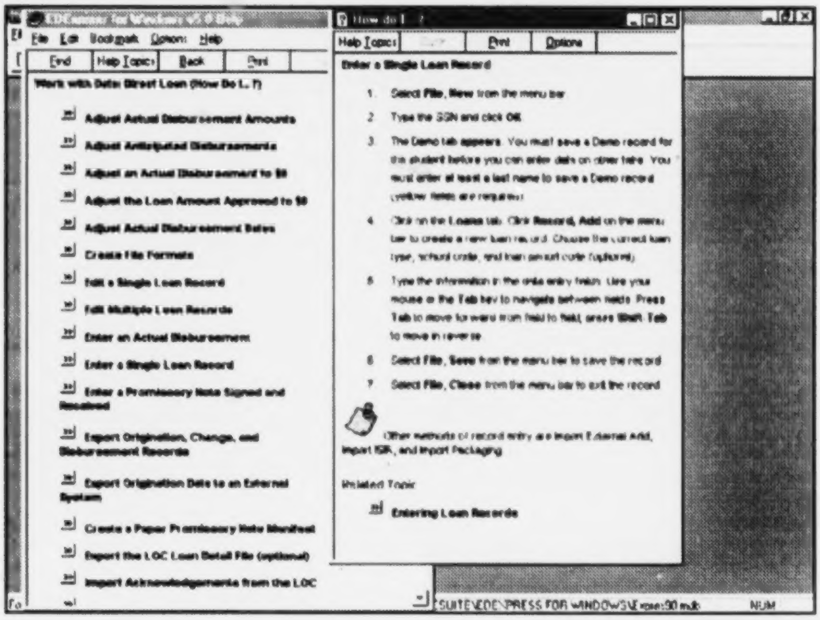
Click the word ***Direct Loan*** *to see topics about Direct Loan functions in EDExpress.*

Click ***Work With Data: Direct Loan****.*


File Process Tools Help
File Edit Bookmark Options Help
Help Topics: EDExpress for Windows v5.0 Help
Contents | Index | Find
Click a topic, and then click Display. Or click another tab, such as Index.
What's new in EDExpress for 1999 2000?
Global
App Express
Direct Loans
Overview
How do I...?
How Do I...?
Set up Direct Loan
Set Up the Direct Loan System Profile
Working with Batches
Printing
Codes
Packaging
Pell Grant
Display
Print
Cancel
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expert90.mdb
NUM

Click ***Enter a Single Loan Record****.*


EDExpress for Windows v5.0 Help
File Edit Bookmark Options Help
Find
Help Topics
Back
Print
Work with Data: Direct Loan (How Do I...?)
Adjust Actual Disbursement Amounts
Adjust Anticipated Disbursements
Adjust an Actual Disbursement to $0
Adjust the Loan Amount Approved to $0
Adjust Actual Disbursement Dates
Create File Formats
Edit a Single Loan Record
Edit Multiple Loan Records
Enter an Actual Disbursement
Enter a Single Loan Record
Enter a Promissory Note Signed and Received
Export Origination, Change, and Disbursement Records
Export Origination Data to an External System
Create a Paper Promissory Note Manifest
Export the LOC Loan Detail File (optional)
Import Acknowledgements from the LOC
SUITE\EDEXPRESS FOR WINDOWS\Expert90.mdb
NUM


EDExpress for Windows v5.0 Help
File Edit Bookmark Options Help
Find
Help Topics
Back
Print
How do I ...?
Help Topics
Print
Options

Work with Data: Direct Loan (How Do I...?)

- Adjust Actual Disbursement Amounts
- Adjust Anticipated Disbursements
- Adjust an Actual Disbursement to $0
- Adjust the Loan Amount Approved to $0
- Adjust Actual Disbursement Dates
- Create File Formats
- Edit a Single Loan Record
- Edit Multiple Loan Records
- Enter an Actual Disbursement
- Enter a Single Loan Record
- Enter a Promissory Note Signed and Received
- Export Origination, Change, and Disbursement Records
- Export Origination Data to an External System
- Create a Paper Promissory Note Manifest
- Export the LOC Loan Detail File (optional)
- Import Acknowledgements from the LOC

Enter a Single Loan Record

1. Select **File, New** from the menu bar.
2. Type the SSN and click **OK**.
3. The **Demo tab appears**. You must save a Demo record for the student before you can enter data on other tabs. You must enter at least a last name to save a Demo record (yellow fields are required).
4. Click on the **Loans** tab. Click **Record, Add** on the menu bar to create a new loan record. Choose the correct loan type, school code, and loan period code (optional).
5. Type the information in the data entry fields. Use your mouse or the **Tab** key to navigate between fields. Press **Tab** to move forward from field to field, press **Shift Tab** to move in reverse.
6. Select **File, Save** from the menu bar to save the record.
7. Select **File, Close** from the menu bar to exit the record.

Other methods of record entry are Import External Add, Import ISIR, and Import Packaging.

Related Topic

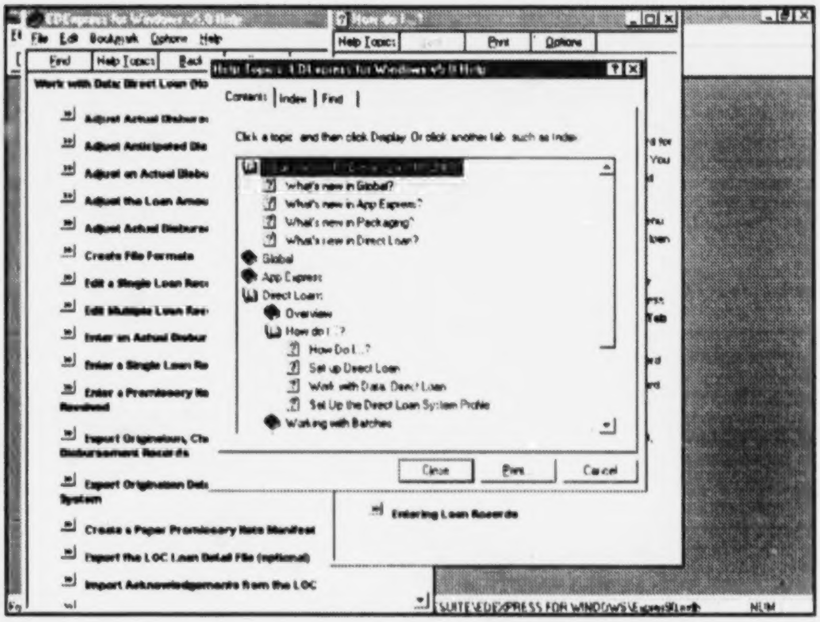
Entering Loan Records

SUITE\EDEXPRESS FOR WINDOWS\Expse:90.mdb NUM

Definitions and discussion are provided for each topic. If related topics and step-by-step procedures are available, links to them are included. Underlined words in green are glossary terms. Click them to see a definition.

Another way to easily locate a topic is to use the index.

*Click on the **Help Topics** button on the Help button bar.*


Help Topics: EDExpress for Windows v5.0 Help
Contents
Index
Find
What's new in Global?
What's new in App Express?
What's new in Packaging?
What's new in Direct Loan?
Global
App Express
Direct Loan
Overview
How do I ...?
How Do I...?
Set up Direct Loan
Work with Data: Direct Loan
Set Up the Direct Loan System Profile
Working with Batches
Close
Print
Cancel

Click a topic, and then click Display. Or click another tab, such as Index.

*From the Help menu select the topic, **What's new in EDExpress for 1999-2000?***

*Then select **What's new in Direct Loan?***

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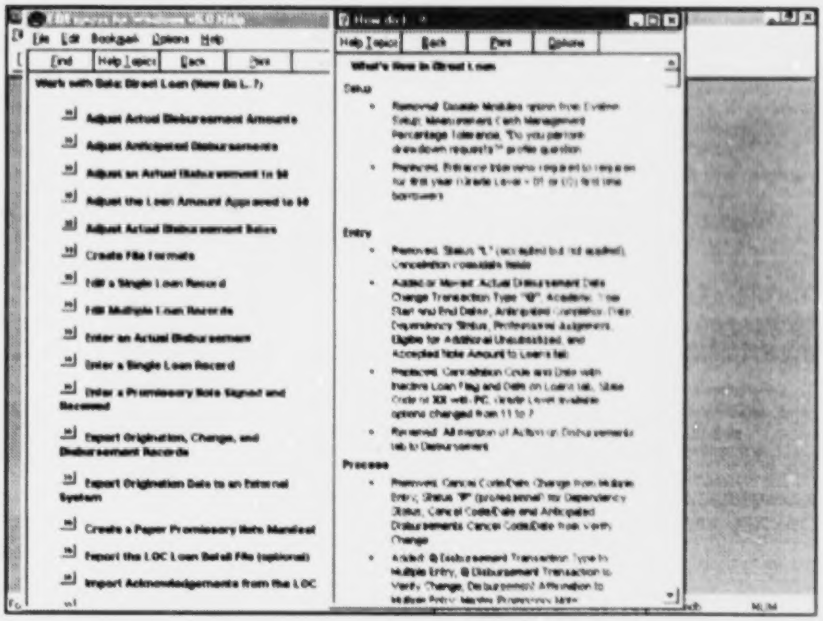
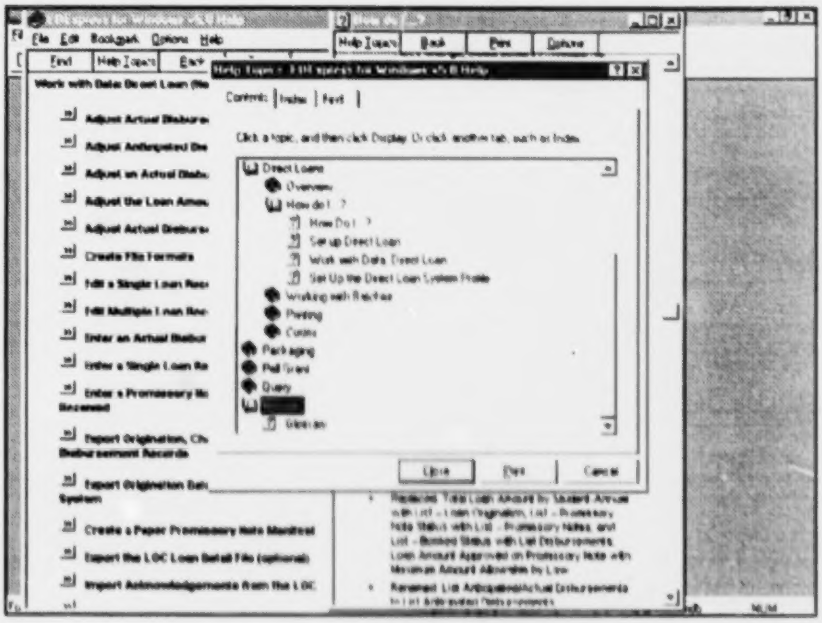
A list of changes and new functions displays.

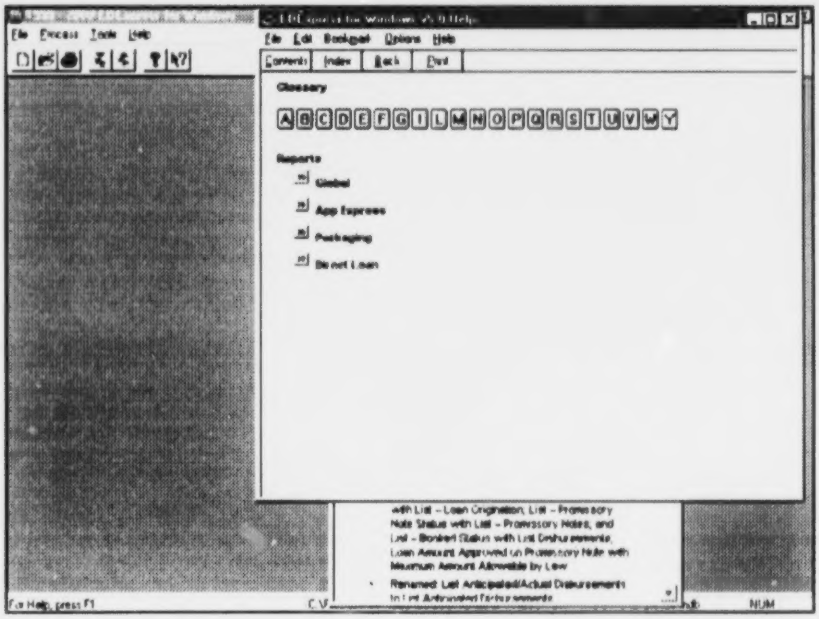
Click the ***Help Topics*** *button to return to the Help box.*


File Edit Bookmark Options Help
Find
Help Topics
Back
Print
Options

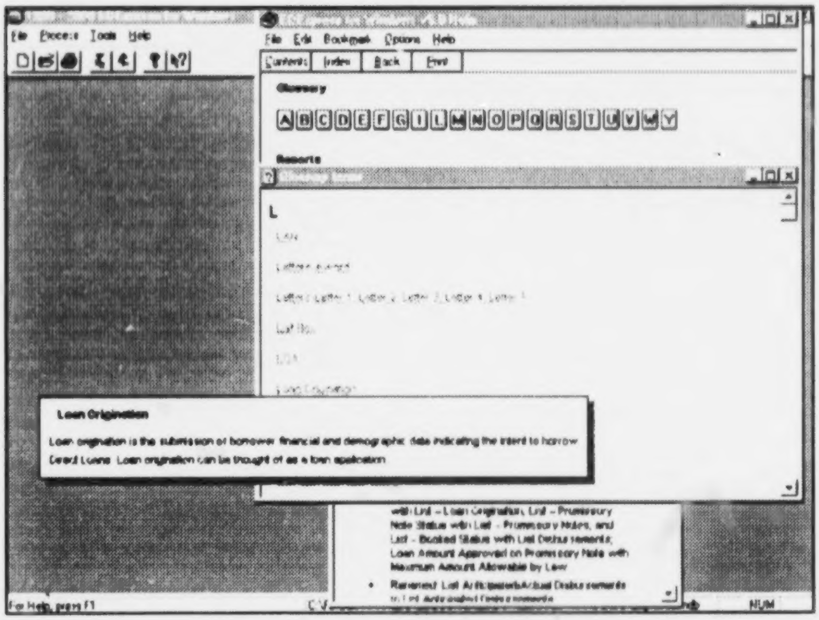
Select Glossary from the list to view terms used in EDExpress.

You can also view the definitions by clicking on any word underlined and in green.


File Edit Bookmark Options Help
Find
Help Topics
Back
Print
Options
Contents
Index
Find
Direct Loans
Overview
How do I...?
Set up Direct Loan
Work with Data: Direct Loan
Packaging
Pell Grant
Query
Glossary
Print
Cancel


File Edit Bookmark Options Help
Contents Index Back Print
Glossary
A B C D E F G I L M N O P Q R S T U V W Y
Reports
Global
App Express
Packaging
Direct Loan
For Help, press F1
NUM

*Click the letter **L** to go directly to the list or click Direct Loan to only view terms related to Direct Loan.*


File Process Tools Help
File Edit Bookmark Options Help
Contents Index Back Print
Glossary
A B C D E F G I L M N O P Q R S T U V W Y
Reports
L
For Help, press F1
NUM

Loan Origination

Loan origination is the submission of borrower financial and demographic data indicating the intent to borrow Direct Loans. Loan origination can be thought of as a loan application.

Select a term and the definition will appear in a separate box.

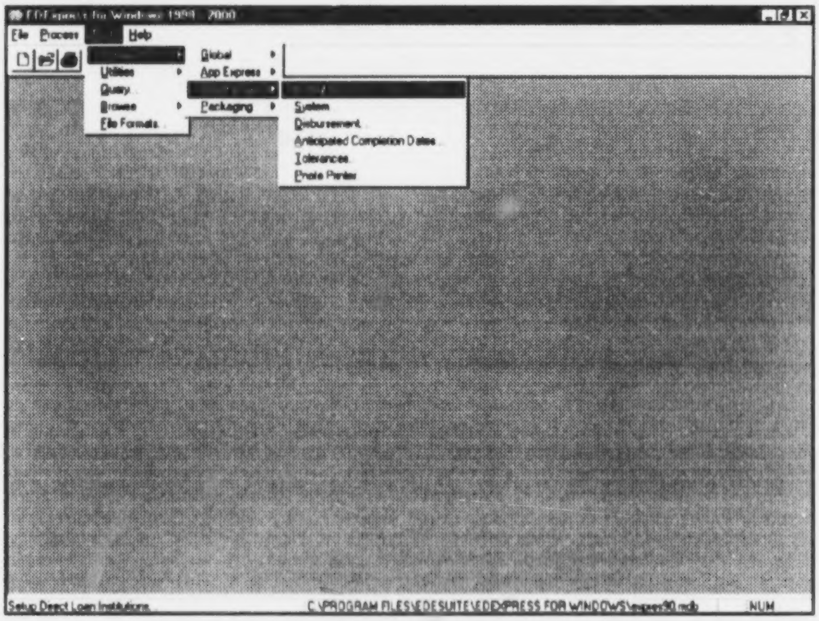
Direct Loan Setup

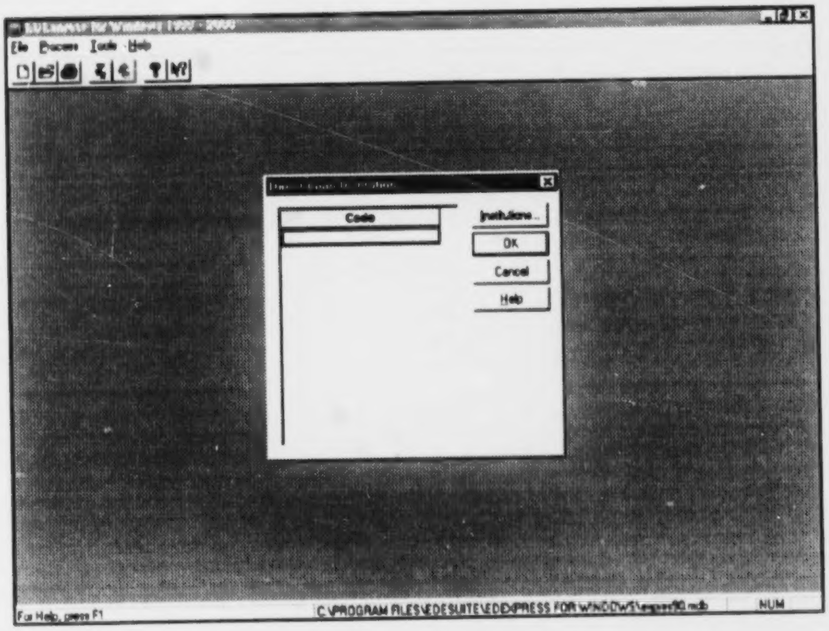
Before you can begin processing Direct Loans, you must first establish system parameters specific to the Direct Loan module. These include identifying your institution code, setting the number of promissory notes to print, establishing loan periods and disbursement dates, and anticipated completion dates.

Institution

For all of the activities involved in creating and manipulating Direct Loans in EDExpress, you must have a valid Direct Loan institution code established to use. You can find the G-Code on the cover letter that you received from the Institutional Participation and Oversight Staff (IPOS) advising you of your origination level and asking you to sign and return the Direct Loan Addendum. The Institution Setup feature allows you to identify one or more institution codes that you may be using to process Direct Loans. The institution codes that you add here will be the available codes you use to create disbursement profiles, add and export records, and use to set up your system profile. At a minimum, you must add one institution code in the Institution setup.

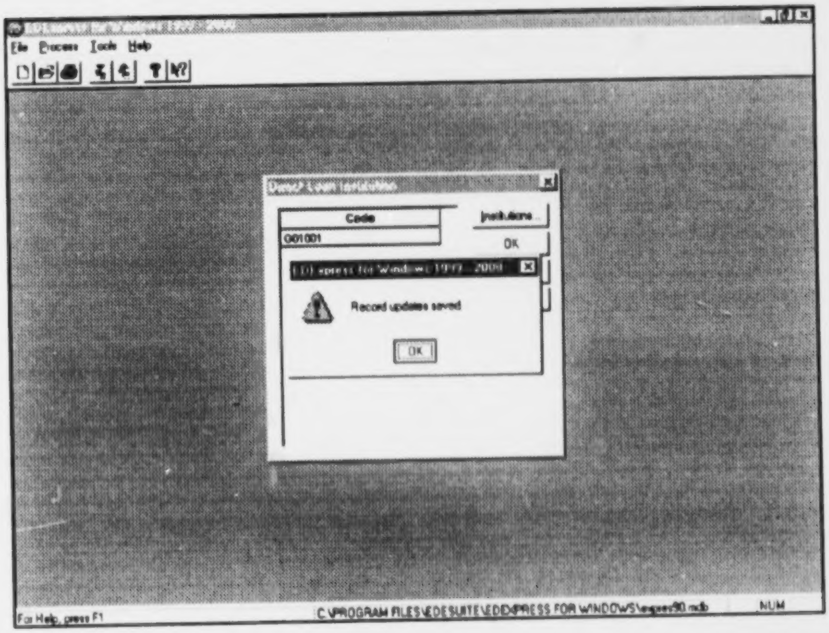
*Select **Tools/Setup/ Direct Loan/Institution** from the menu bar.*


EDExpress for Windows 1999 - 2000
File
Process
Help
Utilities
Query
Browse
File Formats
Global
App Express
Packaging
System
Disbursement
Anticipated Completion Dates
Tolerances
Prote Printer
Setup Direct Loan Institutions
NUM


File Process Tools Help
Code
Institutions...
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\express90.mdb
NUM

*Type a valid Direct Loan institution code or select the code by clicking on the **Institutions...** button. If you need to add more codes, press **Enter** to create a new row.*

*Click **OK** when finished.*


File Process Tools Help
Direct Loan Institutions
Code
Institutions...
OK
EDExpress for Windows 1999 - 2000
OK
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\express90.mdb
NUM

Code: G01001

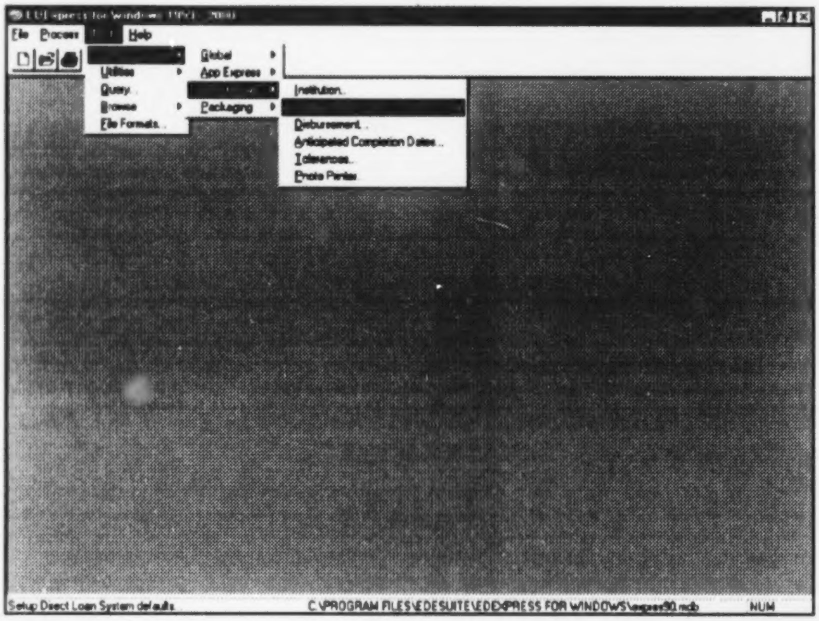
Record updates saved

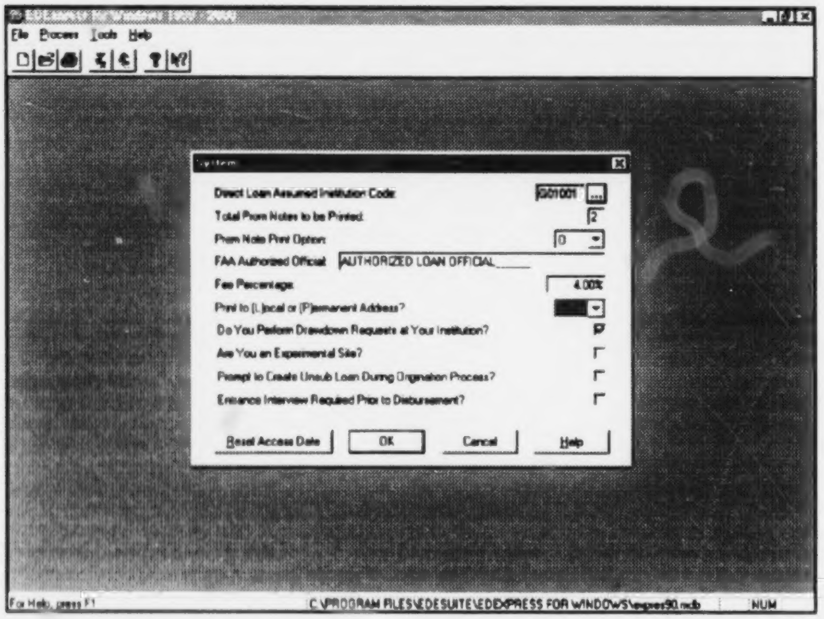
*Click **OK** to continue.*

System Parameters

The System settings in Direct Loan Setup allow you to define several global parameters for functions used in the Direct Loan module.

*Select **Tools/Setup/ Direct Loan/Setup** from the menu bar.*


EDExpress for Windows 1999-2000
File
Process
Help
Utilities
Query...
Browse
File Formats...
Global
App Express
Packaging
Institution...
Disbursement...
Anticipated Completion Dates...
Tolerances...
Photo Printer
Setup Direct Loan System defaults
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM



Direct Loan Assumed Institution Code: G01001

Total Prom Notes to be Printed: 2

Prom Note Print Option: 0

FAA Authorized Official: AUTHORIZED LOAN OFFICIAL

Fee Percentage: 4.00%

Print to (L)ocal or (P)ermanent Address?

Do You Perform Drawdown Requests at Your Institution? ☑

Are You an Experimental Site? ☐

Prompt to Create Unsub Loan During Origination Process? ☐

Entrance Interview Required Prior to Disbursement? ☐

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

Type your Direct Loan school code. The Direct Loan assumed institution code is used as the institution code in the batch ID of export batches and as the default code displayed when creating new loan records.

In this example, we have:

> *Left the number of Prom Notes to print at 2 (the default is 2).*
>
> *Indicated that the Prom Notes will be printed on site.*
>
> *Used local address for printing.*
>
> *Indicated that the school will perform drawdown requests.*

Note:

If you are an Option 2 school make sure you check the box ***Do You Perform Drawdown Requests at Your Institution****?*

If your institution code is not set up correctly your batches will be rejected by the Loan Origination Center.

The number of promissory notes to be printed can be temporarily changed at the Print Dialog screen.

Disbursement

This portion of the software determines your anticipated disbursement dates and percentages for various loan periods. This information is automatically entered into loan records when you manually create a loan record.

If you are importing loan records into EDExpress from another module (Packaging or App Express) or from an external source, you can assign a disbursement profile to the import file. Plan a separate import for each disbursement profile you want to assign. For example, you can import your undergraduate students with one disbursement profile and then import your graduate students with a different profile. You can still modify the anticipated disbursement date for any individual loan record.

If your school has two loan periods, you set up two disbursement profiles. Each profile is identified by a code that you select. You can use any two-character alphanumeric combination. For example, you could assign the code 01 to one of your profiles. Then, when you assign 01 to a loan record, the dates and percentages in the 01 profile are used for the anticipated disbursement calculations. (These can be modified at the record level.)

In this example, the loan period covers a 9-month period and includes two disbursements.

Loan Period	Disbursement 1	Disbursement 2
September 1, 1999 to May 10, 2000	9/1/1999	1/11/2000
	50 percent	50 percent

The second period is assigned a code of 02. This program covers a period of 10 months and includes three disbursements.

Loan Period	Disbursement 1	Disbursement 2	Disbursement 3
September 1, 1999 to June 25, 2000	9/1/1999	12/15/1999	2/15/2000
	33 percent	33 percent	34 percent

EDExpress calculates the anticipated disbursement amounts by applying the disbursement percentages created in the profile to the loan amount requested (Stafford) or the loan amount approved (PLUS) by the number of anticipated disbursements you establish. This process is called *origination*.

Note:

For first time borrowers, you can have as many disbursement profiles as you want. Create a disbursement profile with the same loan period as your regular term students with the first anticipated disbursement 30 days after the first day of classes.

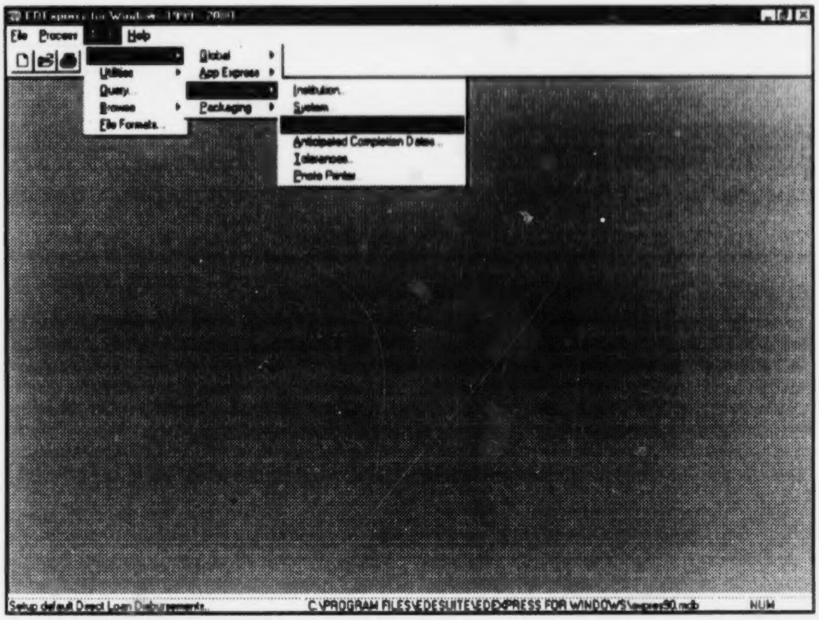
Remember:

1. *You must have at least one disbursement profile before you begin processing Direct Loan records.*
2. *Anticipated disbursement dates are used to calculate the drawdown amount for your institution. Choosing dates carefully is especially important for Option 1 and Standard schools.*
3. *You must have at least two anticipated disbursement dates associated with a profile, and, if using two, each must be 50 percent (except experimental site schools).*
4. *You can have up to four anticipated disbursements per disbursement profile.*

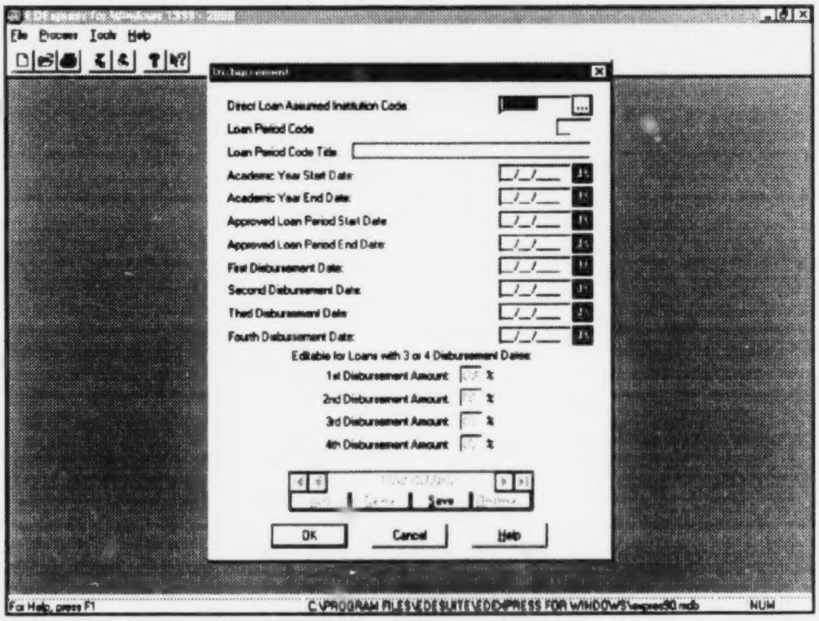
Creating a Disbursement Profile

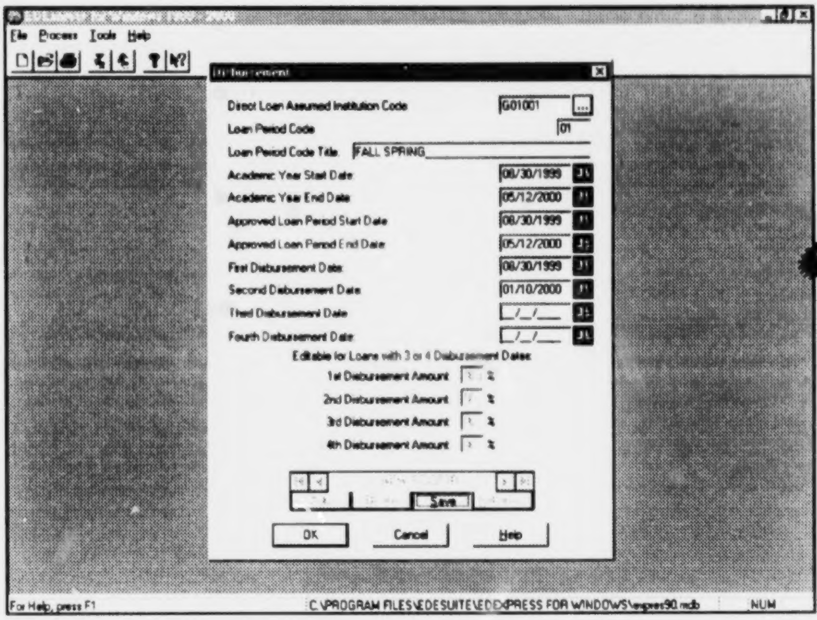
Select ***Tools/Setup/ Direct Loan/ Disbursement*** *from the menu bar.*

Click ***Direct Loan/ Disbursement****.*


File
Process
Help
Global
App Express
Utilities
Query...
Browse
File Formats...
Packaging
Institution...
System
Anticipated Completion Dates...
Tolerances...
Promo Printer
Setup default Direct Loan Disbursements...
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

At this point, no disbursement records have been created.


File
Process
Tools
Help
Disbursement
Direct Loan Assumed Institution Code
Loan Period Code
Loan Period Code Title
Academic Year Start Date
Academic Year End Date
Approved Loan Period Start Date
Approved Loan Period End Date
First Disbursement Date
Second Disbursement Date
Third Disbursement Date
Fourth Disbursement Date
Editable for Loans with 3 or 4 Disbursement Dates
1st Disbursement Amount %
2nd Disbursement Amount %
3rd Disbursement Amount %
4th Disbursement Amount %
Save
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM



Direct Loan Assumed Institution Code G01001
Loan Period Code 01
Loan Period Code Title FALL SPRING
Academic Year Start Date 08/30/1999
Academic Year End Date 05/12/2000
Approved Loan Period Start Date 08/30/1999
Approved Loan Period End Date 05/12/2000
First Disbursement Date 08/30/1999
Second Disbursement Date 01/10/2000
Third Disbursement Date _/_/__
Fourth Disbursement Date _/_/__
Editable for Loans with 3 or 4 Disbursement Dates
1st Disbursement Amount %
2nd Disbursement Amount %
3rd Disbursement Amount %
4th Disbursement Amount %

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

Type one of your institution codes from Institution Setup.

Enter a code for the Disbursement Profile: ***01***

Give the code a title: ***Fall Spring***

NEW!

Enter the academic year start date: 08/30/1999

Enter the academic year end date: 05/12/2000

Enter the loan period start: ***08/30/1999***

Enter the loan period end: ***05/12/2000***

Enter the 1st anticipated disbursement date: ***08/30/1999***

Enter the 2nd anticipated disbursement date: ***01/10/2000***

Click the ***Save*** *button.*

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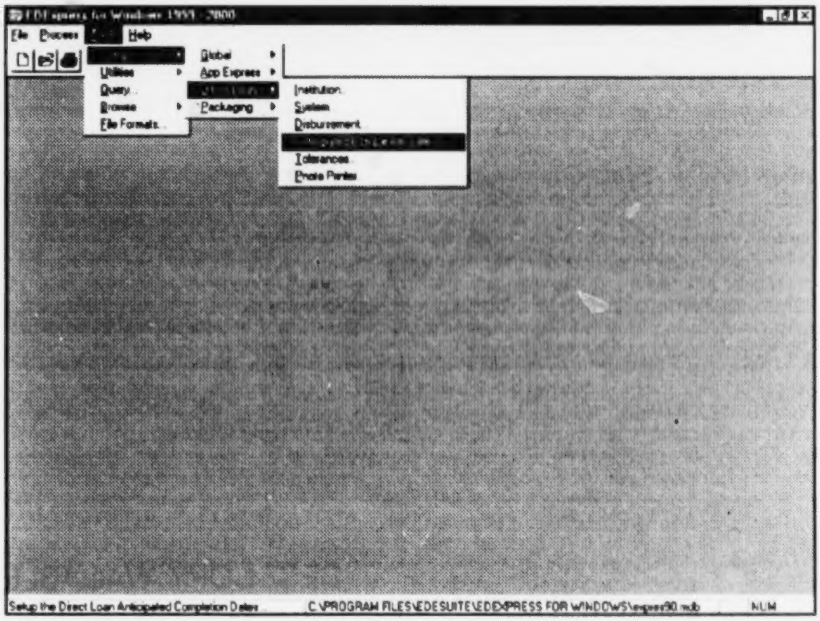
NEW!

Anticipated Completion Dates

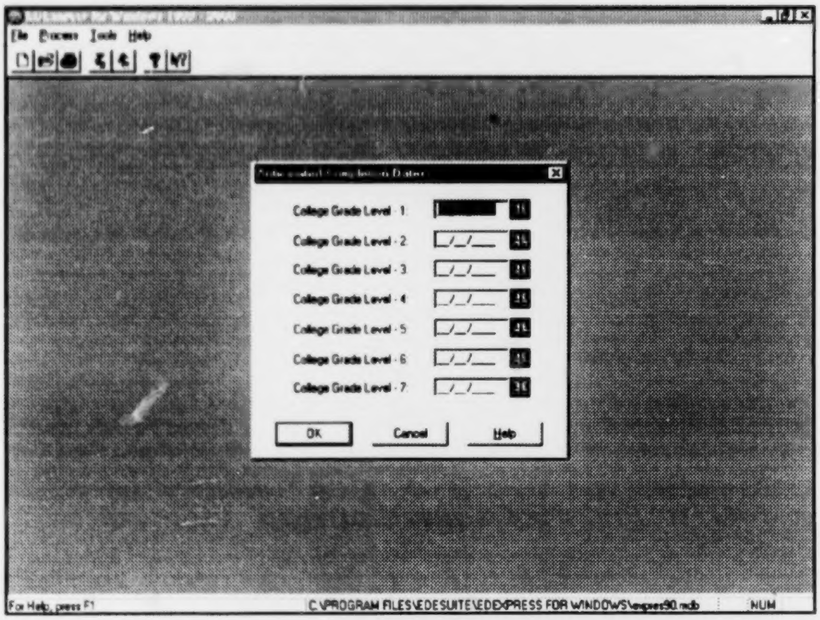
Your anticipated completion date profile allows you to set up graduation dates for each college grade level. This default date is available when you create and originate loan records. Many schools create an anticipated completion date profile for different student groups that have similar loan periods and college grade levels. A student's Anticipated Completion Date can not be more than 6 years past the loan period start date.

EDExpress adds the default anticipated completion dates you enter for the loan period code you choose to each loan record automatically when it is originated. You can establish as many anticipated completion dates as necessary. While EDExpress includes the anticipated completion dates on the borrower's loan origination record, you can also change the dates from within a student's record after you originate the loan record. This will only be done, however, for the first loan a borrower receives from a school. After the first loan books, the anticipated completion date can only be changed through the SSCR process. This is the date that the Servicing Center passes to NSLDS. It determines when the borrower begins to receive repayment notification.

*Select **Tools/Setup/ Direct Loan/Anticipated Completion Dates** from the menu bar.*

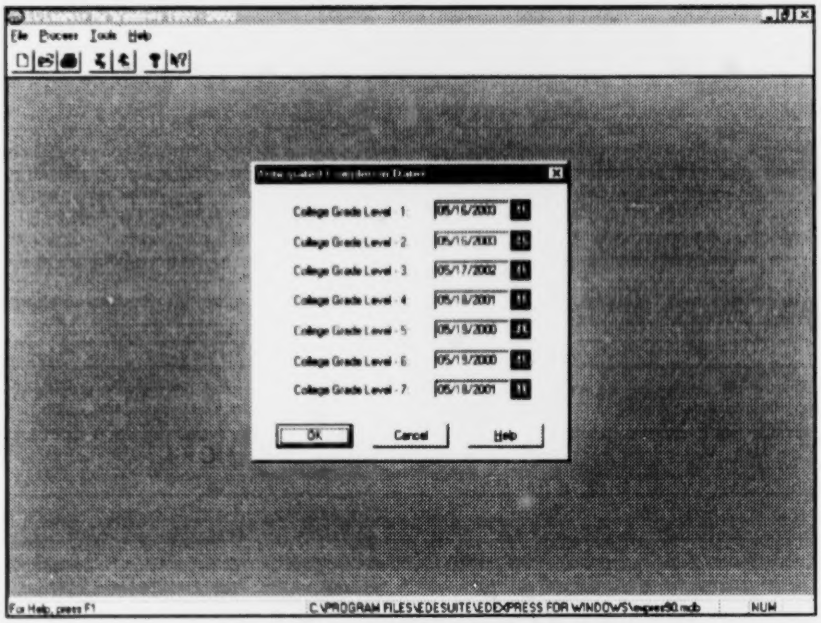

EDExpress for Windows 1999 - 2000
File
Process
Help
Utilities
Query...
Browse
File Formats...
Global
App Express
Packaging
Institution...
System...
Disbursement...
Tolerances...
Promo Printer

Setup the Direct Loan Anticipated Completion Dates C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expex90.mdb NUM


File Process Tools Help
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

College Grade Level - 1:
College Grade Level - 2: __/__/____
College Grade Level - 3: __/__/____
College Grade Level - 4: __/__/____
College Grade Level - 5: __/__/____
College Grade Level - 6: __/__/____
College Grade Level - 7: __/__/____

The anticipated completion dates are associated with the grade level.


File Process Tools Help
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

College Grade Level - 1: 05/16/2003
College Grade Level - 2: 05/16/2003
College Grade Level - 3: 05/17/2002
College Grade Level - 4: 05/18/2001
College Grade Level - 5: 05/19/2000
College Grade Level - 6: 05/19/2000
College Grade Level - 7: 05/18/2001

Enter the anticipated completion date for each grade level at your school.

The calendar button beside each field can be used to locate the correct date.

Click ***OK*** *when finished.*

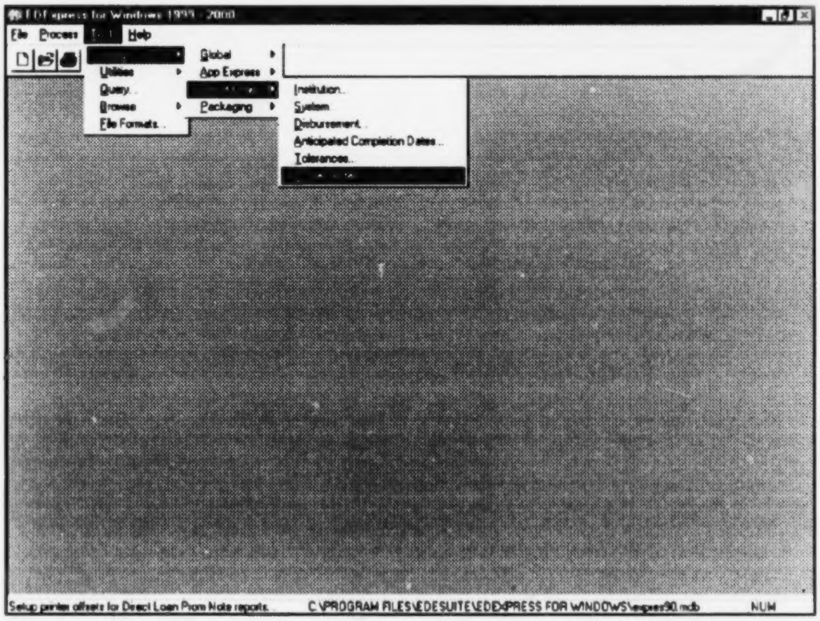
NEW!

Promissory Note Printer Setup

When you print a promissory note, you will be using a pre-printed form. EDExpress only prints information in certain areas of the form. This setup feature is provided for you to more accurately place the printed information on the prom note. This feature is primarily for Windows NT users, but it can be used with other operating systems. Most Windows 95 users do not need to create, set up, or select a Prom Note Printer template, because they are able to adjust the unprintable area in their printer properties to align the prom note.

If your promissory notes print correctly, DO NOT select a printer template on the Direct Loan Print dialog box. If your promissory notes do not align when printed, you can create printer templates to control the placement of data on promissory notes through the Direct Loan Print dialog box.

*Select **Tools/Setup/Direct Loan/Pnote Printer** from the menu bar.*

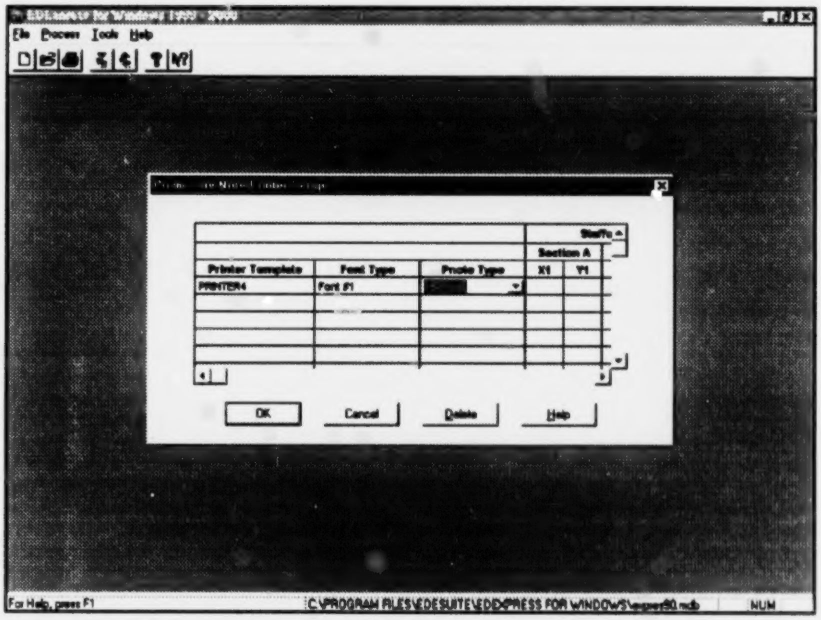

EDExpress for Windows 1999 - 2000
File
Process
Tools
Help
Utilities
Query...
Browse
File Formats...
Global
App Express
Packaging
Institution...
System...
Disbursement...
Anticipated Completion Dates...
Tolerances...
NUM

Setup printer offsets for Direct Loan Prom Note reports.

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Note:

☛ *You will not need to use this setup feature unless you have printer alignment problems while printing promissory notes.*


EDExpress for Windows 1999 - 2000
File Process Tools Help
OK
Cancel
Delete
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

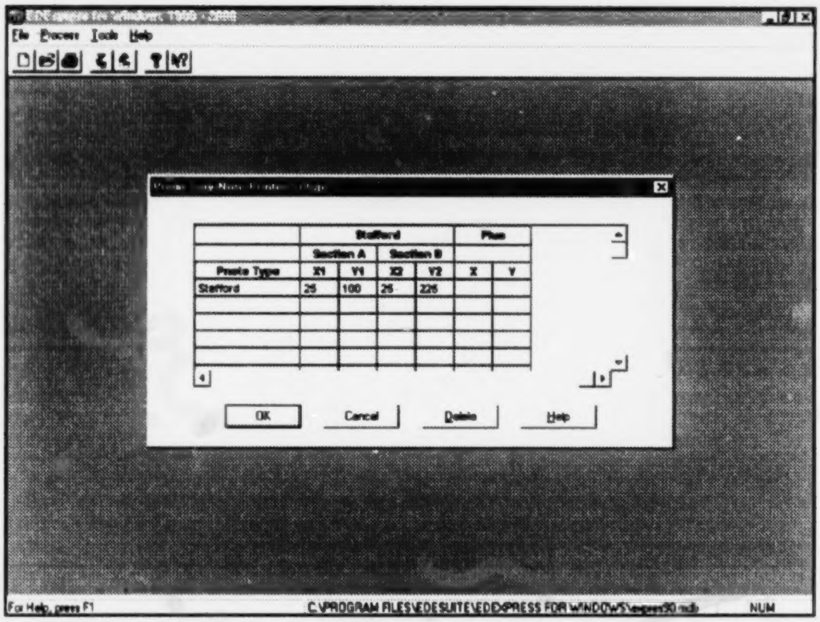
			Staffo	
			Section A	
Printer Template	Font Type	Pnote Type	X1	Y1
PRINTER4	Font #1			

Printer Template allows you to name the template.

The font type you select here is the font assigned to the labels and/or data to be printed on a promissory note. All four options are based on the Courier 10 typeface.

Select each font to find the one that works well on your printer.

Click the ***down arrow*** *under Pnote Type and select the promissory note type you are adjusting the alignment for.*


EDExpress for Windows 1999 - 2000
File Process Tools Help
OK
Cancel
Delete
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

	Stafford				Plus	
	Section A		Section B			
Pnote Type	X1	Y1	X2	Y2	X	Y
Stafford	25	100	25	225		

Use the scroll bar to scroll right and enter the remaining information. Under the X and Y coordinates, you enter the offset point(s) you want to adjust field labels and/or data for Section A of the Stafford promissory note. Coordinates are set up on an X (horizontal) and Y (vertical) axis, and are based on 1/100 of an inch. The values we used are sample values only.

Click ***OK*** *when finished.*

Tip:

Use the Print to Screen option when printing the notes to view the result of your settings. Once you are satisfied with the results, use the Print option in the screen view to produce a hard copy.

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Tips:

You can choose one of four default fonts for each template. The fonts are named Font #1 through Font #4. If a profile does not align, modify the font for the template and reprint. Attempt each font before editing the print coordinates.

You can alter the alignment of data on both Stafford and PLUS promissory notes. The coordinates are set up on an X and Y coordinate system. The X coordinate indicates the first column (across the page) for the field's data and the Y coordinate indicates the first line (down the page) for the field's data. Coordinate values are based on 1/100 of an inch. A value of 100 points would result in an offset of data by 1 inch. Change the coordinate(s) for each section (two for Stafford and one for PLUS) so that it prints in the correct location and save the change.

Apply What You Know

Set the Direct Loan Institution Code

1. Select **Tools/Setup/Direct Loan/Institution**.
2. Click on the grid and type your school code. Or click the **Institutions...** button for a list of Direct Loan school codes and double-click on the code you want to have available when you create Direct Loan records.
3. Click **OK** when you are finished entering your Direct Loan codes.

Set Up the Direct Loan System Profile

1. Select **Tools/Setup/Direct Loan/System**.
2. Type the settings you want to use for your default settings. Press **Tab** to move forward from field to field; press **Shift-Tab** to move in reverse. Make sure you enter a default Direct Loan Assumed Institution Code.

   Press **F1** or click the **Help** button for help with selecting options in this dialog box.
3. Click **OK** when you are finished.

Set Up the Disbursement Profile

1. Select **Tools/Setup/Direct Loan/Disbursement**.
2. Type your Direct Loan Institution Code in the correct space. Disbursement Profiles are specific to one campus. If you are using EDExpress with multiple campuses, you will need to set up separate Disbursement Profiles for each campus.
3. Click the **Calendar** button next to the field to select a date from a calendar or type the academic year start date associated with this disbursement profile in MMDDCCYY format and press **Tab**. Type the academic end date and press **Tab**.
4. Type a two-character code for the loan period to identify the disbursement profile record and press **Tab**.
5. Type a title for the loan period and press **Tab**. Use a meaningful title, such as "First year dependent students" or "Summer 1999."
6. Type the start date for the approved loan period and press **Tab**. Type the end date and press **Tab**.
7. Type the dates you anticipate disbursing loans. Press **Tab** to move from date to date. EDExpress automatically enters the percentage of the total disbursement amount for each date. If you have more than two disbursement dates, you can change the percentage for each disbursement.
8. Click **Save** to save your entries.
9. To create another Disbursement Profile, click **Add**.
10. Click **OK** when you are finished.

Set Up the Anticipated Completion Dates

1. Select **Tools/Setup/Direct Loan/Anticipated Completion Dates**.
2. Type a date or click the calendar button to select the date for each college grade level as needed.
3. Click **OK** when you are finished.

Discussion Questions for Chapter 2

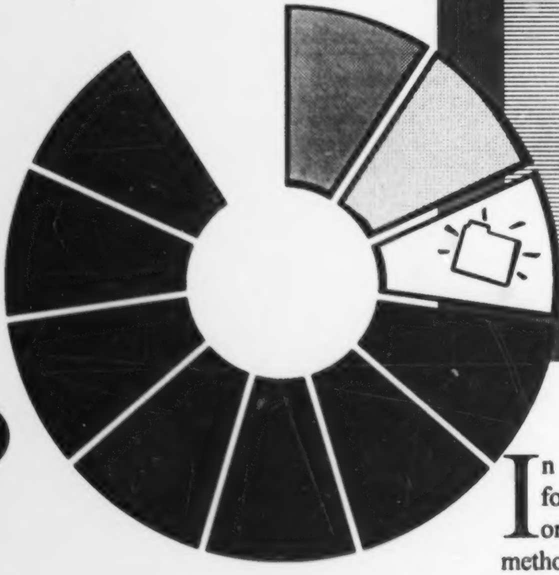
1. What Help function describes how to perform a task in EDExpress?

2. What Setup option allows you to create disbursement profiles for other schools if you serve more than one school?

3. Why do you need to enter a Direct Loan assumed institution code in System Setup when you've already entered your code in Setup?

4. How many loan period/disbursement profiles can you create?

Chapter 3



Loan Records Part 1

In this chapter, you learn how to identify the essential components for booking a Direct Loan and to identify the data items required to originate a loan record. You then create loan records using three methods and learn how to originate loans.

3

Loan Records Part 1

Objectives

1. Define terms specific to Direct Loan data.
2. Describe the process for determining a student's eligibility.
3. Create a new loan record through manual entry and import.
4. Identify components of the loan ID.
5. Identify data items required to originate a loan.
6. Identify record updates resulting from the origination process.
7. Learn how to make changes to a loan record.

Loan Terms

To understand how loan records are created, it is important to understand what is meant by the terms "origination" and "booking."

Origination is complete when the loan record:

- Is filled out and contains demographic, financial, and statistical data, and
- Has an anticipated disbursement date and amount indicated

Note:

A school can create a loan record without completing the Origination process. Origination is not complete until the Process/Originate function is performed in EDExpress.

Booking a loan means that an official and binding obligation has been made between the borrower and the federal government. Three essential components are necessary for the Loan Origination Center to "book" a loan:

- An accepted loan origination record
- An accepted promissory note
- An accepted disbursement record

Loan Record Elements

The three loan record types are Subsidized Stafford, Unsubsidized Stafford and PLUS. Generally, all loan record types are treated similarly. All schools create loan origination records, which are a part of the borrower's complete loan record. Loan origination records hold the demographic, financial, and statistical information necessary to make a permanent borrower record in ED's loan database. They are the foundation required for ED's Loan Origination Center to "book" a loan.

The date of origination is the date that a school using EDExpress completes the Process, Originate function (discussed later in this chapter). The software automatically calculates and stores the date for you. If a school is using other software, the date is when the equivalent function of Process, Originate is performed.

Creating a loan record involves assembling data required for the Direct Loan Program. You can maintain a loan record on your database with as little information as a Social Security number, last name, loan type, and loan period. However, you must have a complete loan record in order to send a full origination record to the LOC and proceed with processing the loan.

Minimum data elements to save a record in EDExpress:

- Social Security number
- Name
- Loan type
- Loan period

The chart on the following pages describes the data elements in the Direct Loan record including the required data elements.

Direct Loan Record Data Items Charts

	Borrower/Student Data Items	General Loan Record Data Items
F	*Borrower's Social Security number** *Borrower's name** *Borrower's address** Borrower's home phone number Borrower's driver's license number and state *Borrower's date of birth** *Borrower's citizenship status (including alien registration number if eligible non-citizen)** *Student's year in school**	
I	*Record of defaults on education loan or owed repayment on grant** Student's anticipated completion date Loan entrance interview (Depending on setup)	*Loan type (Direct Subsidized, Direct Unsubsidized, Direct PLUS)** *Requested loan amount (cannot be more than loan eligibility)** *Loan amount approved** *User that created record**
G		*School code number** *Loan period start date** *Loan period end date** *Academic year start date*(required for Staffords only)* *Academic year end date*required for Staffords only)* *1st, 2nd, 3rd, 4th anticipated disbursement date*
S		*Loan identifier** *Loan year** *Loan sequence number** Origination record transmit date Anticipated loan fees Anticipated gross loan amount Anticipated net loan amount Loan origination status Origination date Date/time record created Servicer code Last update date/time

Chart Key

F = Data comes from FAFSA

I = Data comes from the school and may require manual data entry

G = Global parameters; the data are universally set by Direct Loan system setups and parameters

S = System generated; the Direct Loan software calculates the data element

* = Required for loan origination record transmission to Loan Origination Center

	Promissory Note Data Items	General Loan Record Data Items
I	Date borrower signed promissory note	Date disbursements made Disbursements refunded Code and date
G	Location of promissory note printing (required if LOC is to print notes)	*Anticipated disbursement dates**
S	Batch number Promissory note status Date promissory note printed Date LOC confirms receipt of notes	*Gross anticipated disbursements** *Anticipated disbursement fees** *Net anticipated disbursements** Disbursement batch numbers Disbursement booking dates

Chart Key

I = Data comes from the school and may require manual entry

G = Global parameters; the data are universally set by Direct Loan system setup and parameters

S = System generated; the Direct Loan software calculates the data element

* = Required for loan origination record transmission to Loan Origination Center

Note:

Some data elements, such as year in school, could come from the FAFSA or the school. For purposes of this chart, if the data element is on the FAFSA, it is coded "F."

The source of data could also vary by loan type. For example, borrower demographic data may come from the FAFSA for Direct Subsidized and Direct Unsubsidized Loans, but from institutional sources for Direct PLUS Loans.

Creating Loan Records in EDExpress

Several options are available in EDExpress for creating loan records. In many cases, you already have much of the data required by the Direct Loan Program electronically stored somewhere. Importing creates Direct Loan records from these sources. This can save you a great deal of data entry.

You can:

- Key enter data
- Import data from an external source such as the school's mainframe database
- Import data from EDExpress packaged records
- Import data from ISIRs
- Use the Add Record function for additional loans

You cannot generate a complete loan record from ISIR data, because the ISIR data does not contain loan amounts. If you import loan records from your ISIR database, you must either enter a loan amount and originate each record manually or import a change file.

Importing complete data, such as data from the EDExpress Packaging module or your school's packaging system, is the quickest way to create and originate loan records.

For more information on importing records from external sources, see the *Direct Loan Technical Reference*.

Importance of Loan Records

Loan records are the basis for all Direct Loan activity in EDExpress. EDExpress maintains one loan record in your database for each loan. One student may have more than one loan record. A loan record may be a Subsidized Stafford, Unsubsidized Stafford, or a PLUS record.

The loan record is the basis for generating the following items which you must export to the LOC:

- **Full Origination Records**—These contain all the required demographic data for an individual loan, loan amounts, the anticipated disbursement dates and amounts, and the anticipated loan amounts. This record informs the LOC of your intent to submit a promissory note, drawdown funds, and make disbursements. The LOC edits the data and accepts or rejects the record.
- **Change Records**—Any changes made to the loan record after the full origination record has been batched must be sent as change records. These changes may include demographic data or changes to loan amounts or anticipated disbursement dates and amounts.

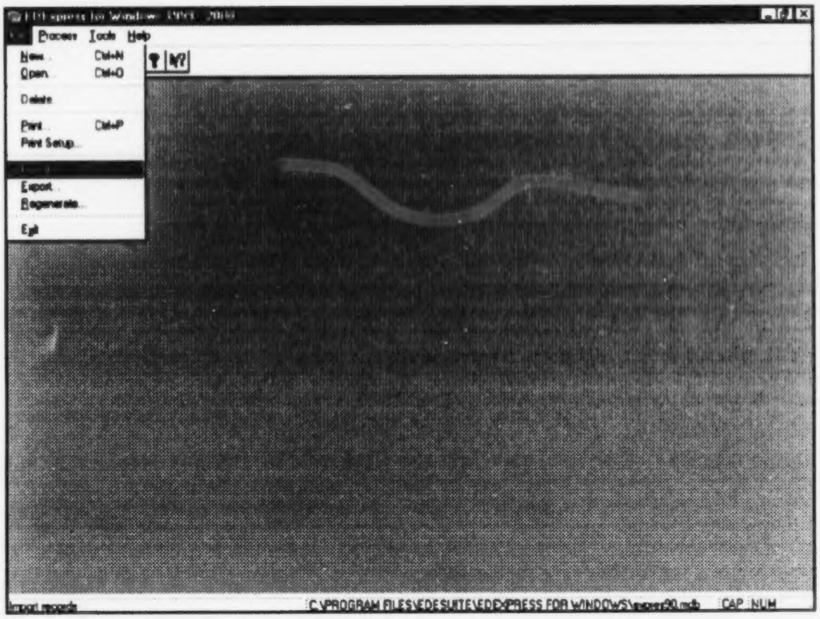
  You can also use the Verify Change function under the Process menu to send changes to the LOC without actually changing the data in the record. You can use this function on records that have a loan status of **B** (batched) or **A** (accepted by the LOC). See Chapter 4 for more detail.

  EDExpress asks which fields you want to verify. Fields available are:
    Loan Amount Approved
    Anticipated Disbursement Gross Amounts/Date

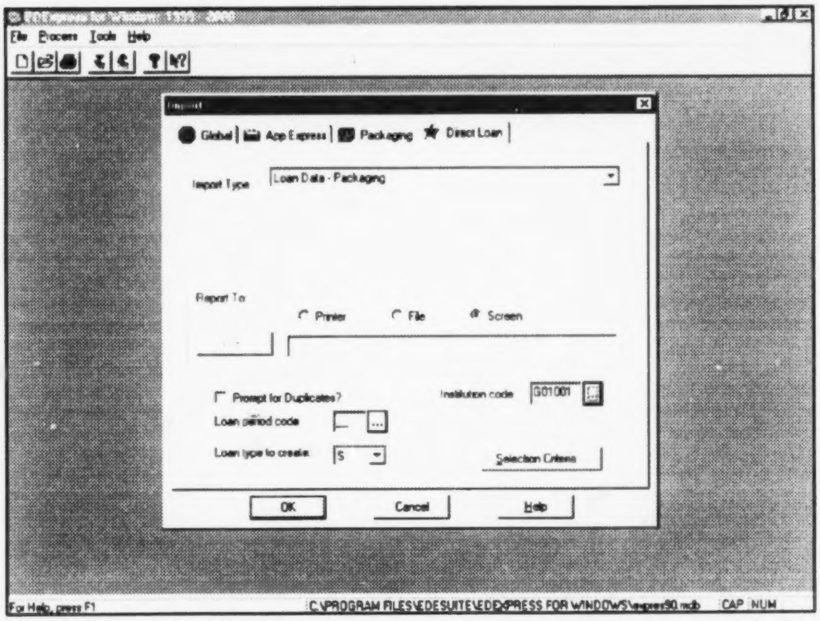
- **Promissory Notes**—EDExpress generates a promissory note from the information in the loan record.
- **Disbursement Records**—When actual disbursement activity is recorded on an individual loan record, EDExpress generates a disbursement record to be exported to the LOC.

How To Import Loan Records

In this section you will use the Import function to create loan records using Packaging data stored in EDExpress. If all data is present that is required to originate the loan, the record is originated during the import process.


Process
Tools
Help
New...
Ctrl+N
Open...
Ctrl+O
Delete
Print...
Ctrl+P
Print Setup...
Export...
Regenerate...
Exit
Import records
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
CAP
NUM

*Select **File/Import** from the menu bar.*


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
CAP
NUM

Import Type: Loan Data - Packaging

Report To: ○ Printer ○ File ● Screen

☐ Prompt for Duplicates?

Institution code: G01001

Loan period code:

Loan type to create: S

*Select the **Direct Loan** tab.*

*Choose **Loan Data - Packaging** from the Import Type list.*

*Click Report To: **Screen**.*

*Choose **S** (subsidized Stafford) as the Loan Type.*

*Click the **Ellipsis** button and select the Institution Code.*

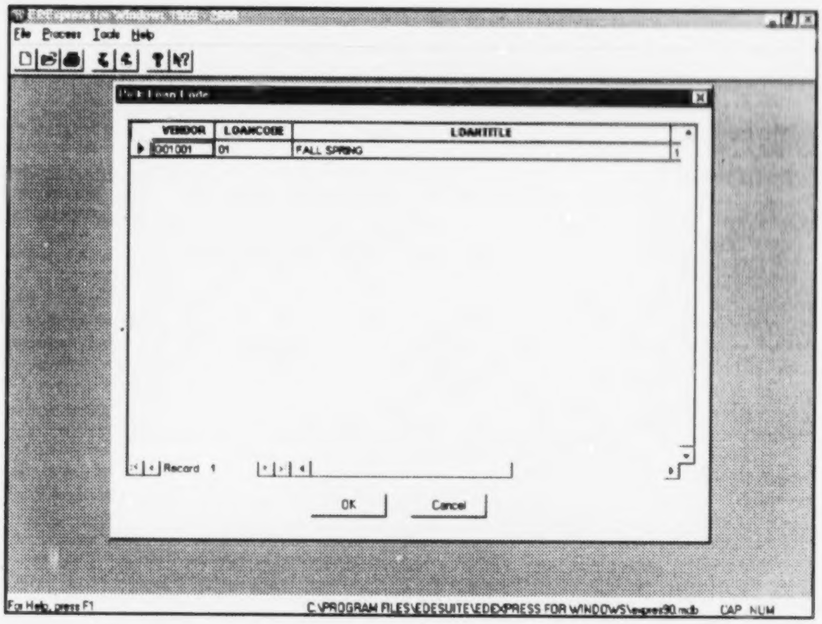
*Click the **Ellipsis** button and select the Loan Period Code.*

Note:

Click the Selection Criteria button to narrow the list of records you want to import. If you do not use selection criteria, all available records with the assigned loan type and loan period code are imported.

Click the ***Loan Period Code*** *that you want to apply to the records in the import batch.*

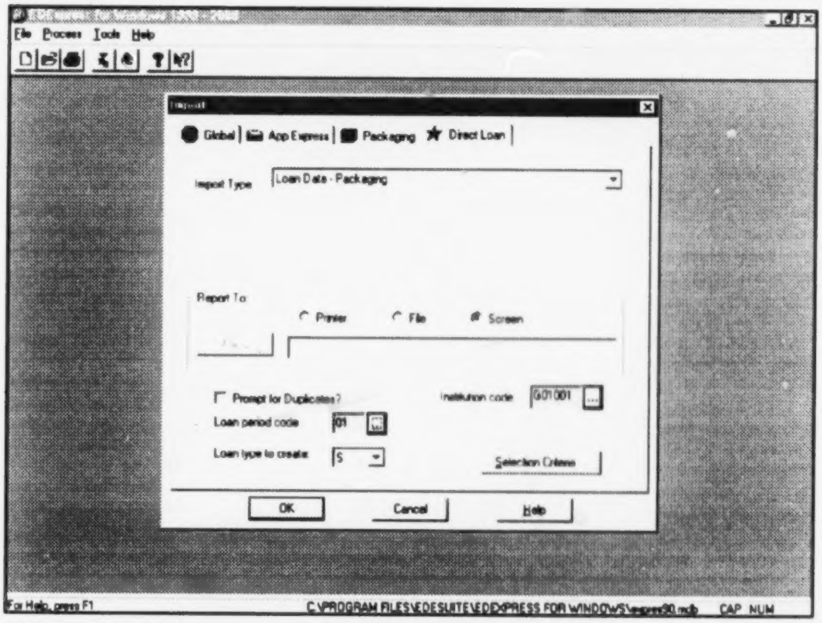
Click ***OK****.*



VENDOR	LOANCODE	LOANTITLE
G01001	01	FALL SPRING

File Process Tools Help
Pick Loan Code
Record 1
OK
Cancel
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb CAP NUM

Click ***OK****.*



Import Type: Loan Data - Packaging

Report To: ○ Printer ○ File ● Screen

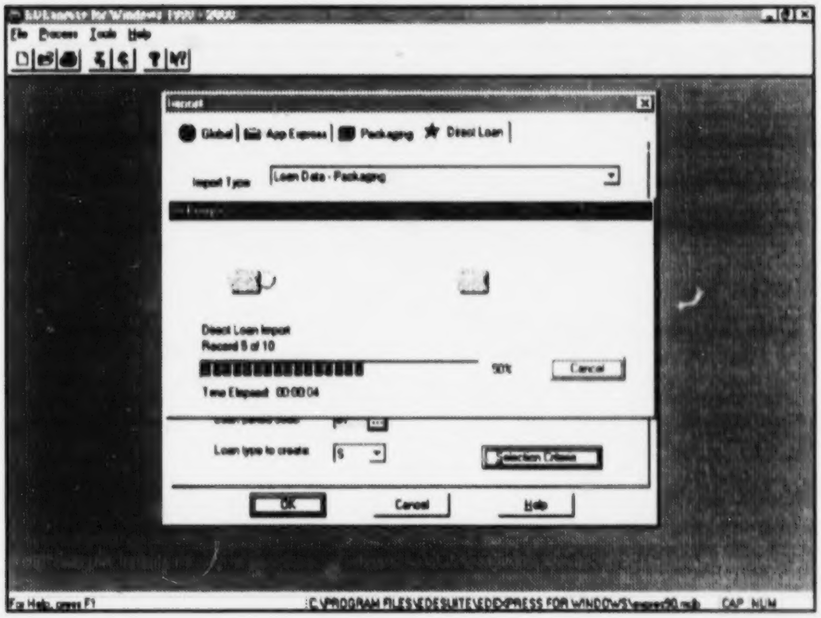
☐ Prompt for Duplicates?

Institution code: G01001

Loan period code: 01

Loan type to create: S

File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb CAP NUM


File Process Tools Help
Global
App Express
Packaging
Direct Loan
Cancel
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\
CAP NUM

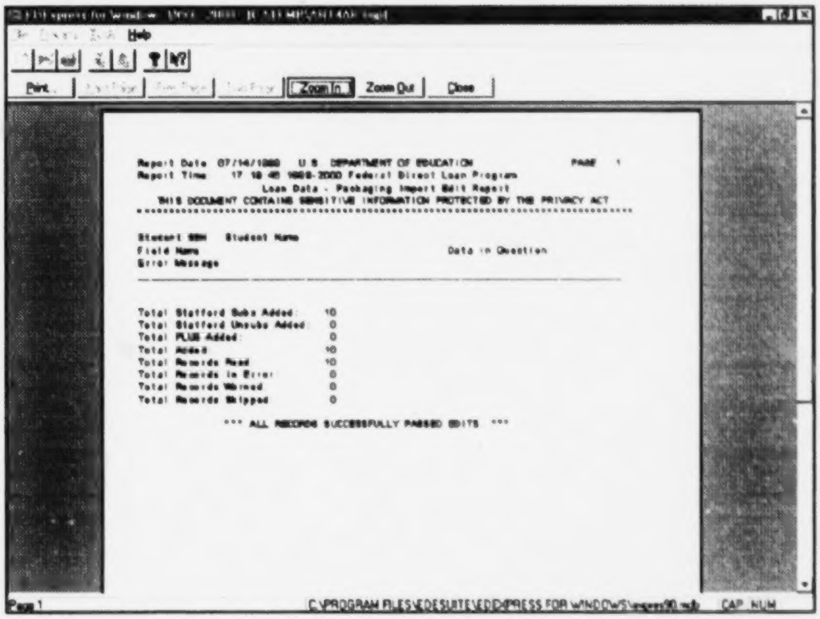
Import Type: Loan Data - Packaging

Direct Loan Import
Record 5 of 10
50%
Time Elapsed: 00:00:04

Loan type to create: S

A progress window shows records being imported.

*Click **OK** when it finishes.*


Help
Print...
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\
CAP NUM

```
Report Date  07/14/1999   U.S. DEPARTMENT OF EDUCATION              PAGE   1
Report Time    17 18 45 1999-2000 Federal Direct Loan Program
                  Loan Data - Packaging Import Edit Report
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*****************************************************************************

Student SSN   Student Name
Field Name                                         Data in Question
Error Message
-----------------------------------------------------------------------------

Total Stafford Subs Added:     10
Total Stafford Unsubs Added:    0
Total PLUS Added:               0
Total Added                    10
Total Records Read             10
Total Records in Error          0
Total Records Warned            0
Total Records Skipped           0

          *** ALL RECORDS SUCCESSFULLY PASSED EDITS ***
```

A report displays the total number of packaging records that were successfully copied to Direct Loan records.

*Click the **Close** button in the menu bar to close the report.*

Note: Reports that print to the screen are not saved but can be printed. If you want to save the report, you must route the report to a file.

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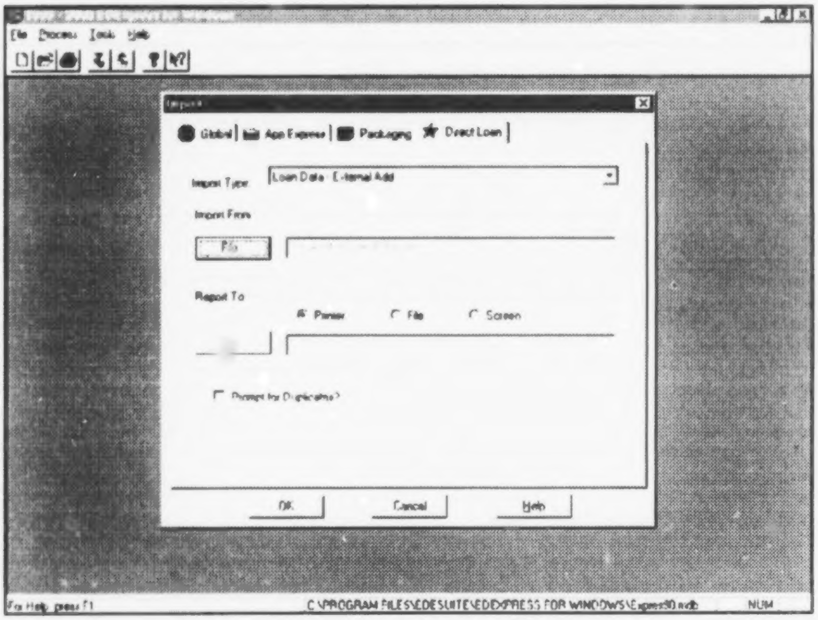
How to Import from an External Source (optional)

In addition to manually entering loan data or importing data from EDExpress, you can also add loan origination records by importing data from an external system. Data files from other systems must be formatted before you can use them in Direct Loan. See "Combination Layouts" in the Direct Loan Technical Reference for instructions on preparing a file to import from an external system. Record layouts for both import files can also be printed from EDExpress.

There are two types of records that can be imported into EDExpress: Add and Change. You will use the Import Add function to initially create loan records. If all of the fields necessary for origination are present in the data file, EDExpress performs the loan origination process. This calculation determines the disbursement dates and disbursement amounts based on the selected loan period code. The origination status is set to R (ready to export) and the promissory note status is set to R (ready to print).

Once a loan record has been created, you can also import changes to the data. If you must change information on a loan origination record, you can import the changes from your external system.



Import Type: Loan Data - External Add

Import From

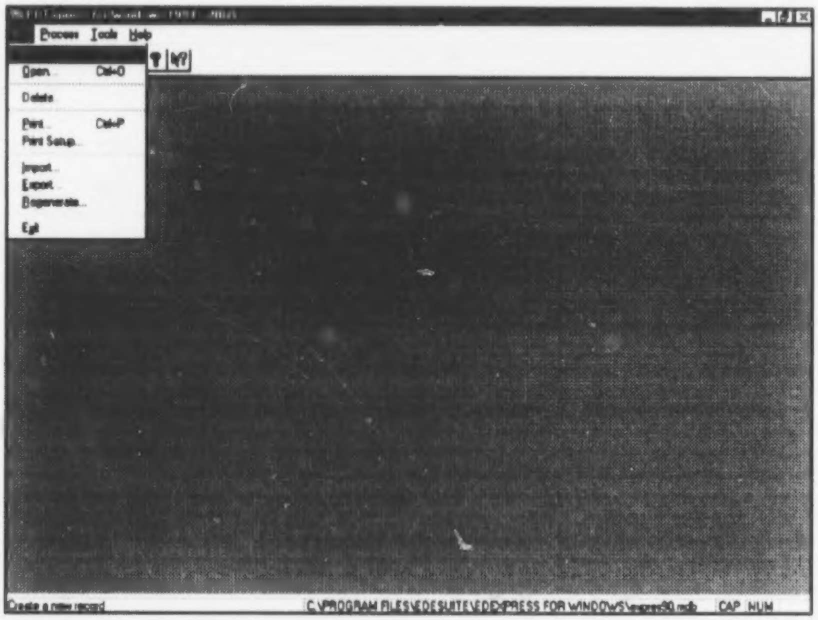
Report To: ● Printer ○ File ○ Screen

☐ Prompt for Duplicates?

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb

How To Enter a Loan Record Manually

EDExpress has a student-focused design, in which all of each student's records in the different functions of EDExpress are connected to a single demographic record. Therefore, when you create a new application, you must first create the demographic record before you enter a Direct Loan record manually.

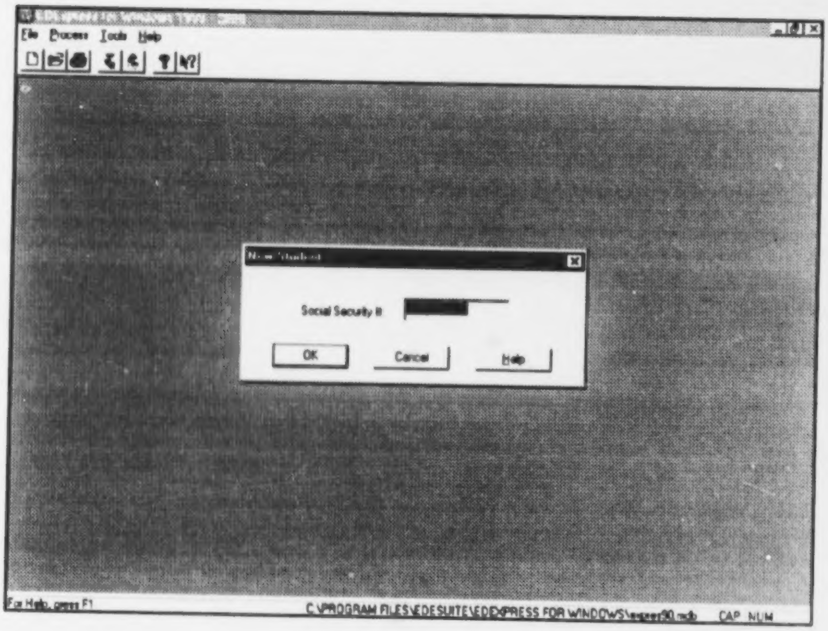

Process
Tools
Help
Open... Ctrl+O
Delete
Print... Ctrl+P
Print Setup...
Import...
Export...
Regenerate...
Exit
Create a new record
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\express90.mdb
CAP NUM

*Click **File** from the menu bar. Select **New**.*

Note:

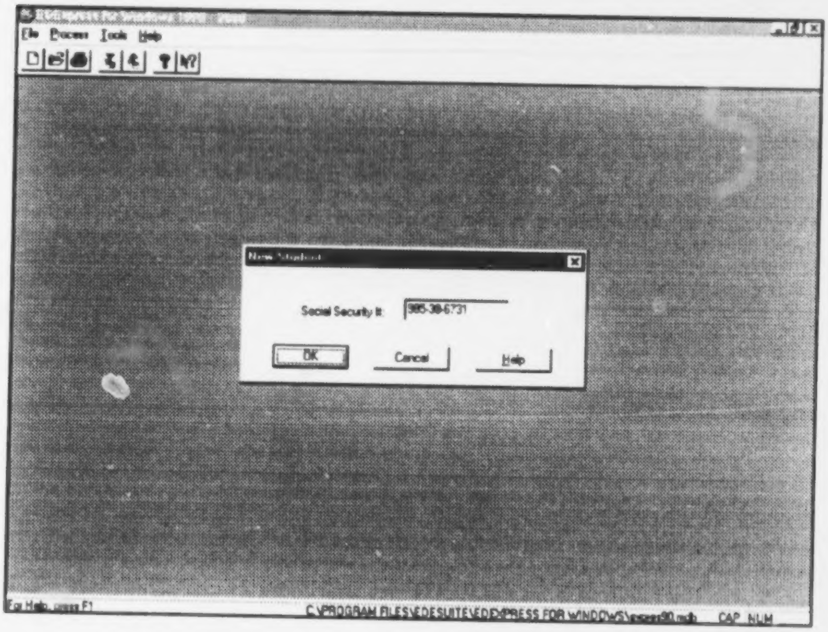
The Social Security number you use to create a new record should always be the student's.

The SSN box displays.

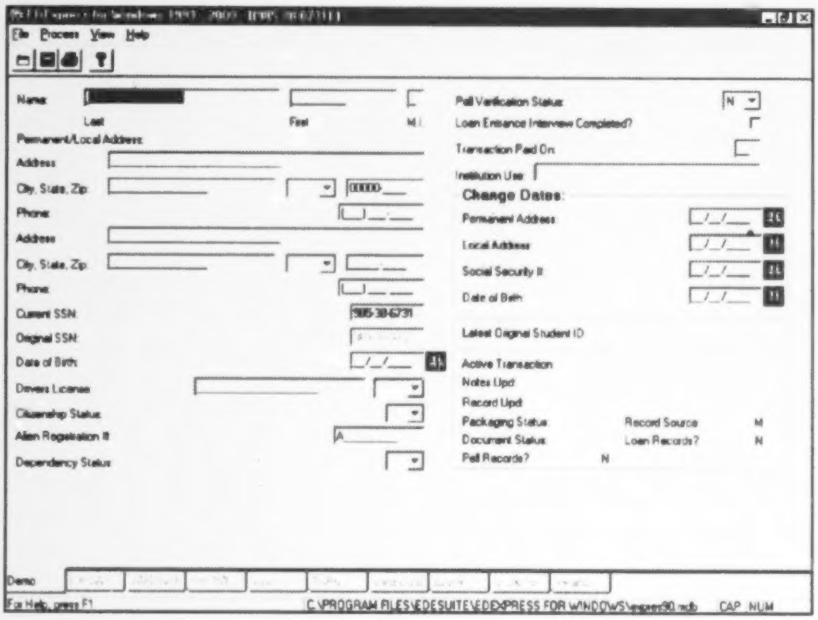

File Process Tools Help
New Student
Social Security #:
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expeer90.mdb
CAP NUM

Type the student's Social Security number.

Click ***OK****.*


File Process Tools Help
New Student
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expeer90.mdb
CAP NUM

Social Security #: 985-38-6731


File Process View Help
Name
Last
First
M.I.
Permanent/Local Address
Address
City, State, Zip
Phone
Address
City, State, Zip
Phone
Current SSN
Original SSN
Date of Birth
Drivers License
Citizenship Status
Alien Registration #
Dependency Status
Pell Verification Status
Loan Entrance Interview Completed?
Transaction Paid On
Institution Use
Change Dates:
Permanent Address
Local Address
Social Security #
Date of Birth
Latest Original Student ID
Active Transaction
Notes Upd
Record Upd
Packaging Status
Document Status
Pell Records?
Record Source
Loan Records?
Demo
For Help, press F1
CAP NUM

City, State, Zip: 00000-

Current SSN: 905-38-6731

Alien Registration #: A

Pell Verification Status: N

Record Source: M

Loan Records?: N

Pell Records?: N

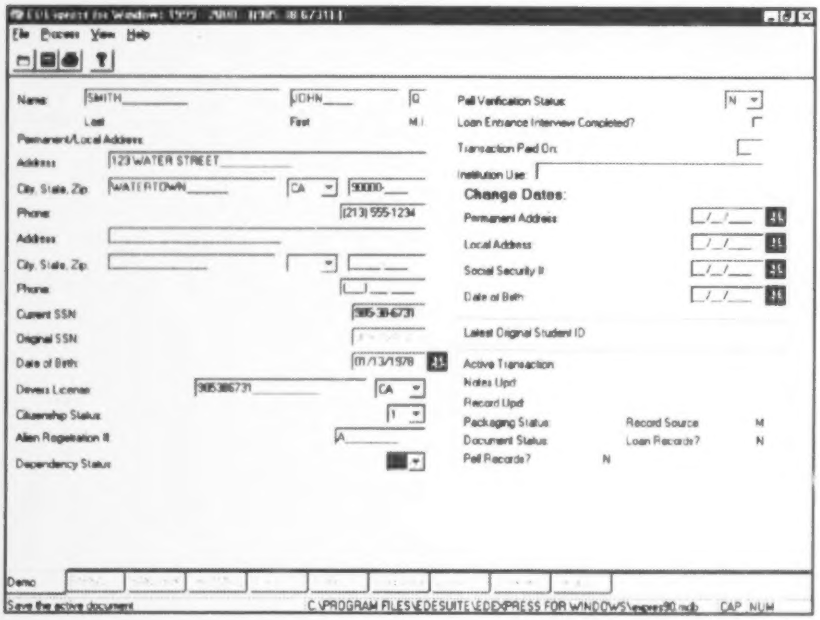
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Type in the following data:

Name
Address
Phone #
Date of Birth
License State
License #
Citizenship Status
Dependency Status

Tip:

Since the demo record is not automatically updated with record imports, review relevant Direct Loan fields for accuracy when creating a loan record.


File Process View Help
Name
Last
First
M.I.
Permanent/Local Address
Address
City, State, Zip
Phone
Address
City, State, Zip
Phone
Current SSN
Original SSN
Date of Birth
Drivers License
Citizenship Status
Alien Registration #
Dependency Status
Pell Verification Status
Loan Entrance Interview Completed?
Transaction Paid On
Institution Use
Change Dates:
Permanent Address
Local Address
Social Security #
Date of Birth
Latest Original Student ID
Active Transaction
Notes Upd
Record Upd
Packaging Status
Document Status
Pell Records?
Record Source
Loan Records?
Demo
Save the active document
CAP NUM

Name: SMITH JOHN Q

Address: 123 WATER STREET

City, State, Zip: WATERTOWN CA 90000-

Phone: (213) 555-1234

Current SSN: 905-38-6731

Date of Birth: 01/13/1978

Drivers License: 905386731 CA

Citizenship Status: 1

Alien Registration #: A

Pell Verification Status: N

Record Source: M

Loan Records?: N

Pell Records?: N

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

When you create a loan record, these demographic items become part of that record.

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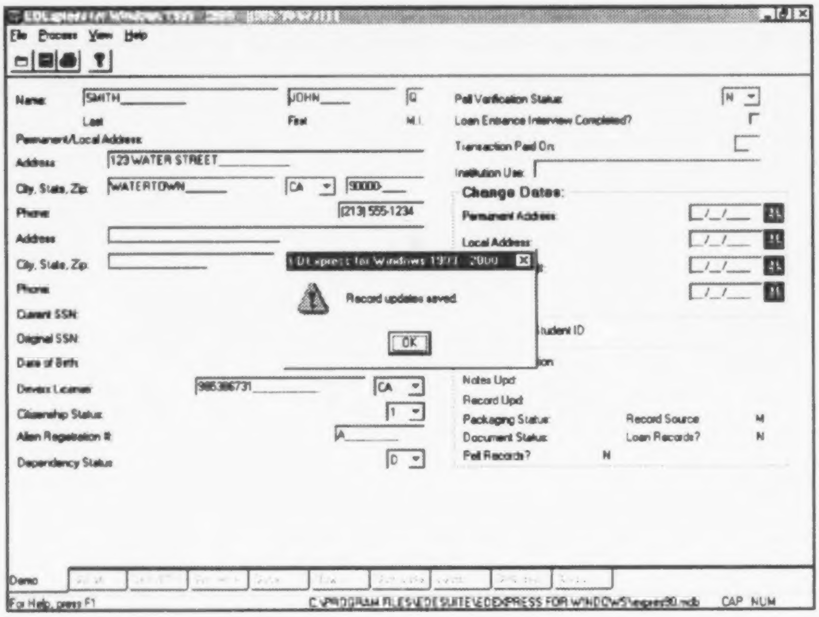
*Select **File/Save** or click the ■ button to save the demo record.*

*Click **OK** to continue.*



Name: SMITH (Last) JOHN (First) Q (M.I.)

Permanent/Local Address

Address: 123 WATER STREET

City, State, Zip: WATERTOWN CA 90000-

Phone: (213) 555-1234

Address:

City, State, Zip:

Phone

Current SSN

Original SSN

Date of Birth

Drivers License: 985386731 CA

Citizenship Status: 1

Alien Registration #: A

Dependency Status: D

Pell Verification Status: N

Loan Entrance Interview Completed? ☐

Transaction Paid On:

Institution Use:

Change Dates:

Permanent Address: __/__/__

Local Address: __/__/__

Notes Upd

Record Upd

Packaging Status

Record Source: M

Document Status

Loan Records? N

Pell Records? N

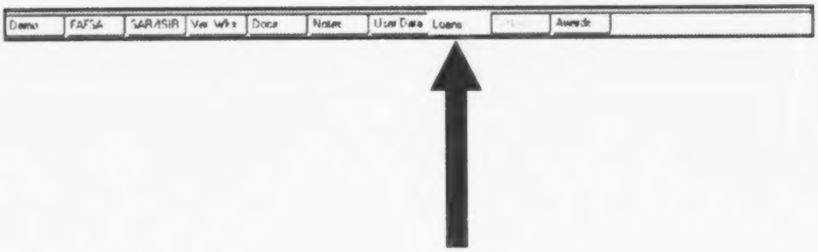
EDExpress for Windows 1999 - 2000

Record updates saved.

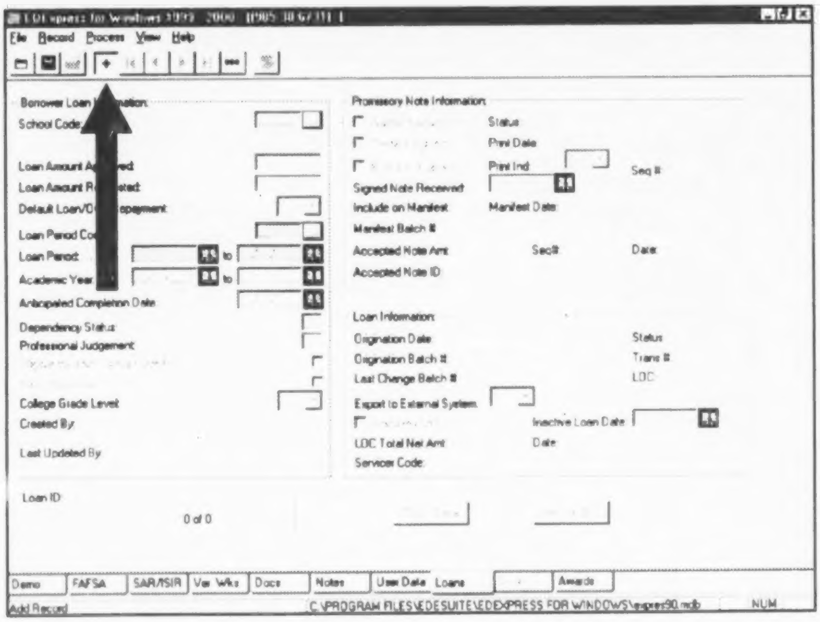
For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb CAP NUM

How to Add a Loan Record


Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards

Click the ***Loans*** *tab.*


EDExpress for Windows 1999 2000
File Record Process View Help
Borrower Loan
mation:
School Code:
Loan Amount A
ved:
Loan Amount R
sted:
Default Loan/D
epayment:
Loan Period Co
Loan Period:
to
Academic Year
to
Anticipated Completion Date
Dependency Status:
Professional Judgement:
College Grade Level:
Created By:
Last Updated By:
Promissory Note Information:
Status:
Print Date:
Print Ind:
Seq #:
Signed Note Received:
Include on Manifest:
Manifest Date:
Manifest Batch #:
Accepted Note Amt:
Seq#:
Date:
Accepted Note ID:
Loan Information:
Origination Date:
Status:
Origination Batch #:
Trans #:
Last Change Batch #:
LOC:
Export to External System:
Inactive Loan Date:
LOC Total Net Amt:
Date:
Servicer Code:
Loan ID:
0 of 0
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards
Add Record
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Select ***Record/Add*** *from the menu or click the* ***Add*** *button on the toolbar.*

Tip:

Fields required to save the record are displayed in yellow. Additional fields are required to originate a loan.

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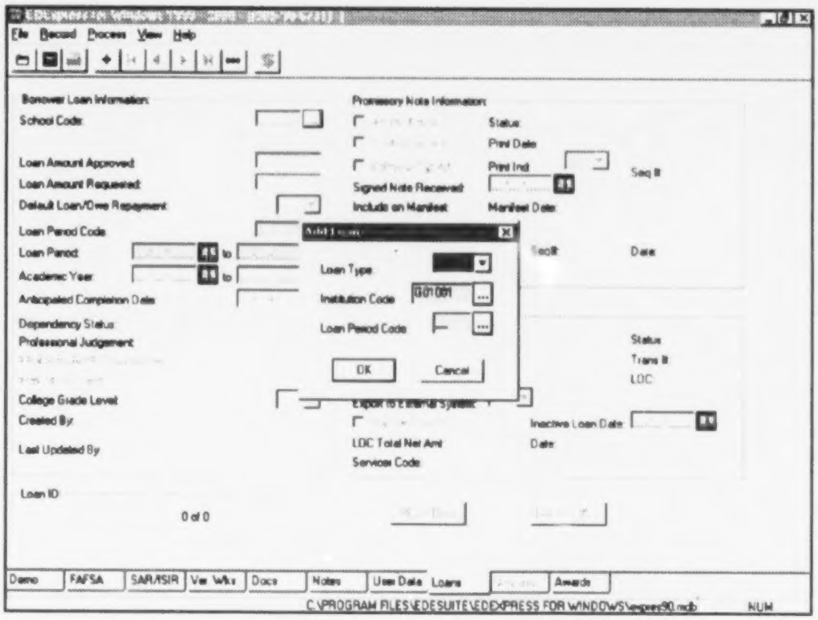
Select the loan type and verify the institution code.

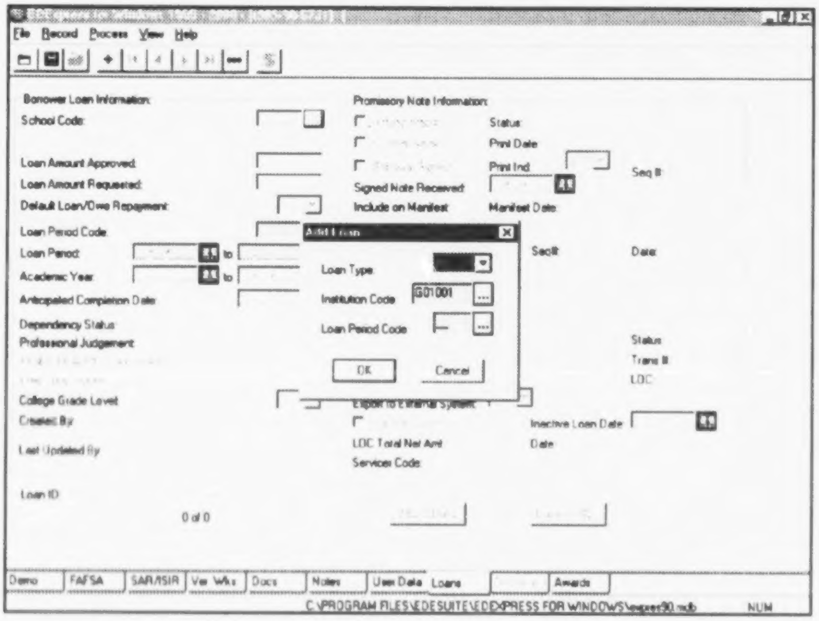
Both become part of the loan ID.


File Record Process View Help
Borrower Loan Information
School Code
Loan Amount Approved
Loan Amount Requested
Default Loan/Owe Repayment
Loan Period Code
Loan Period
Academic Year
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level
Created By
Last Updated By
Loan ID
0 of 0
Promissory Note Information
Status
Print Date
Print Ind
Seq #
Signed Note Received
Include on Manifest
Manifest Date
Seq#
Date
Status
Trans #
LOC
Export to External System
Inactive Loan Date
LOC Total Net Amt
Date
Servicer Code
Add Loan
Loan Type
Loan Period Code
OK
Cancel
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

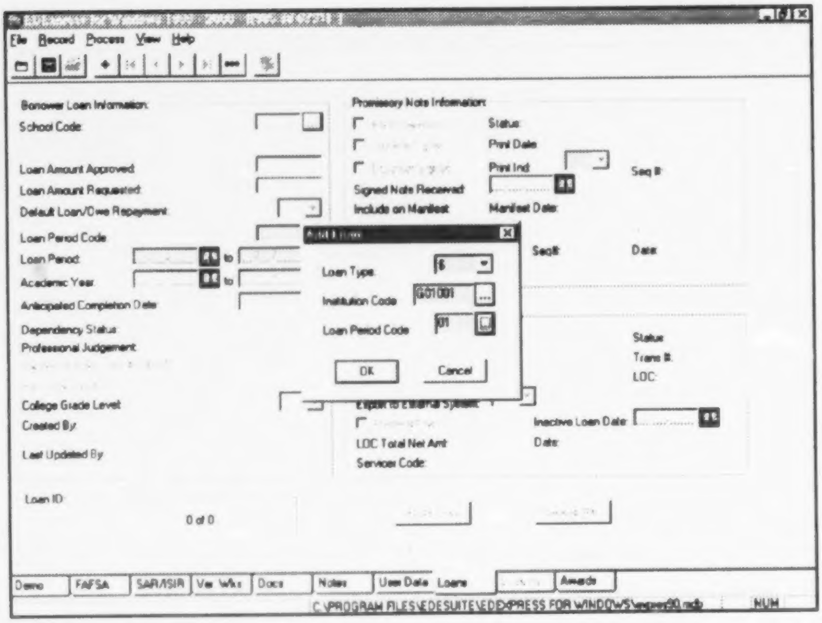
Institution Code: G01001

In this example, ***S*** *for Subsidized Stafford has been selected as the loan type.*

Enter ***01*** *(the Fall Spring Loan period code established in setup) or click the* ***Ellipsis*** *button to view a list of Loan Period codes.*


File Record Process View Help
Borrower Loan Information
School Code
Loan Amount Approved
Loan Amount Requested
Default Loan/Owe Repayment
Loan Period Code
Loan Period
Academic Year
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level
Created By
Last Updated By
Loan ID
0 of 0
Promissory Note Information
Status
Print Date
Print Ind
Seq #
Signed Note Received
Include on Manifest
Manifest Date
Seq#
Date
Status
Trans #
LOC
Export to External System
Inactive Loan Date
LOC Total Net Amt
Date
Servicer Code
Add Loan
Loan Type
Loan Period Code
OK
Cancel
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Institution Code: G01001


File Record Process View Help
Borrower Loan Information
School Code
Loan Amount Approved
Loan Amount Requested
Default Loan/Owe Repayment
Loan Period Code
Loan Period
Academic Year
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level
Created By
Last Updated By
Loan ID
0 of 0
Promissory Note Information
Status
Print Date
Print Ind
Seq #
Signed Note Received
Include on Manifest
Manifest Date
Seq#
Date
Status
Trans #
LOC
Inactive Loan Date
LOC Total Net Amt
Date
Servicer Code
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards
NUM

Loan Type: S

Institution Code: G01001

Loan Period Code: 01

OK

Cancel

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expwy90.mdb

Click **OK**.

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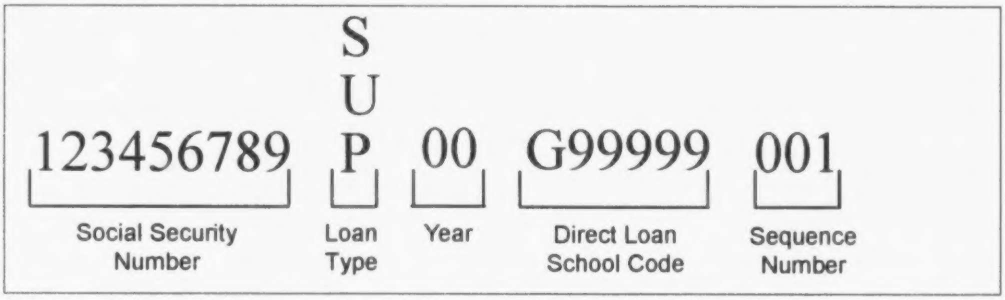
About the Loan ID

EDExpress creates the loan ID for you automatically. The loan ID is displayed at the bottom left side of the Loans screen and cannot be modified. If a change in the Social Security number occurs, change the Current Social Security number field on the demo record. Doing so does not change the Loan ID.


123456789
S
U
P
00
G99999
001
Social Security Number
Loan Type
Year
Direct Loan School Code
Sequence Number

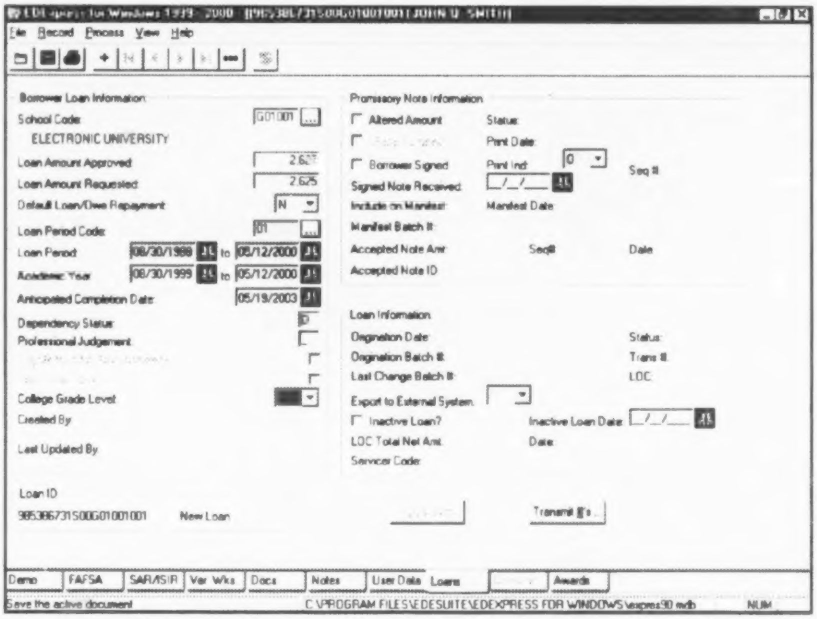
Since the demographic record already contains the basic information about the student, all you need to enter is the loan amount, default flag, anticipated completion date, and grade level.

A loan amount of $2,625 has been entered for this student.

The default flag has been set to N.

The anticipated completion date has been set at 05/19/2003.

The college grade level has been set at 1, first year, never attended college.


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards
Transmit ID's...
NUM

Borrower Loan Information
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date: 05/19/2003
Dependency Status: D
Professional Judgement: ☐
College Grade Level
Created By
Last Updated By
Loan ID
985386731S00G01001001 New Loan

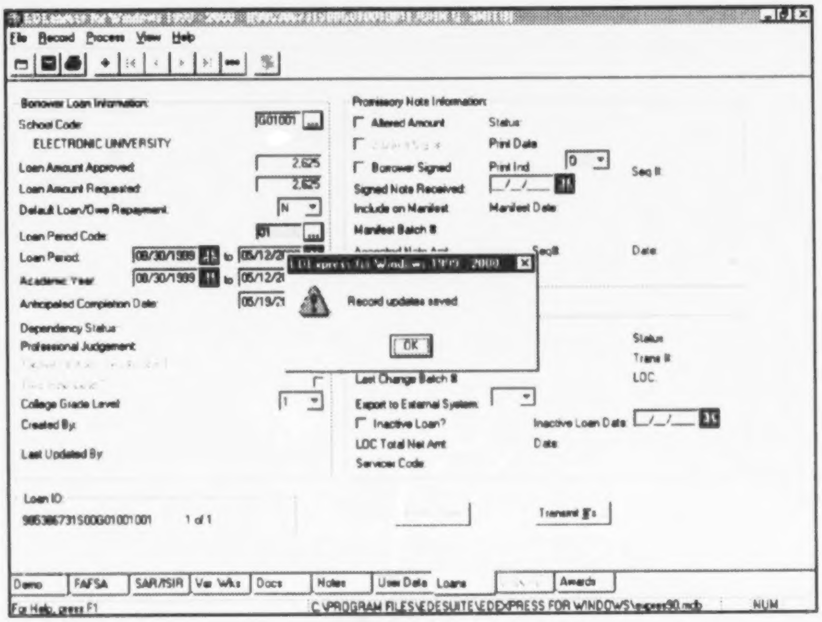
Promissory Note Information
☐ Altered Amount
Status:
Print Date:
☐ Borrower Signed
Print Ind: 0
Seq #
Signed Note Received: __/__/____
Include on Manifest:
Manifest Date
Manifest Batch #:
Accepted Note Amt:
Seq#
Date
Accepted Note ID

Loan Information
Origination Date:
Status:
Origination Batch #:
Trans #:
Last Change Batch #:
LOC:
Export to External System:
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt:
Date:
Servicer Code:

Save the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Tip:

When you create a loan record, the Dependency Status from the Demo tab defaults to the loan record. You can, however, change the status on the loan record, if needed.



Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/20
Academic Year: 08/30/1999 to 05/12/20
Anticipated Completion Date: 05/19/2
Dependency Status:
Professional Judgement:
College Grade Level: 1
Created By:
Last Updated By:
Loan ID:
985386731S00G01001001 1 of 1

Promissory Note Information:
☐ Altered Amount Status:
Print Date
☐ Borrower Signed Print Ind: 0 Seq #:
Signed Note Received: __/__/____
Include on Manifest Manifest Date:
Manifest Batch #
Seq#: Date:

Status:
Trans #:
LOC:
Last Change Batch #
Export to External System:
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt Date:
Servicer Code:

EDExpress for Windows 1999 - 2000
Record updates saved.

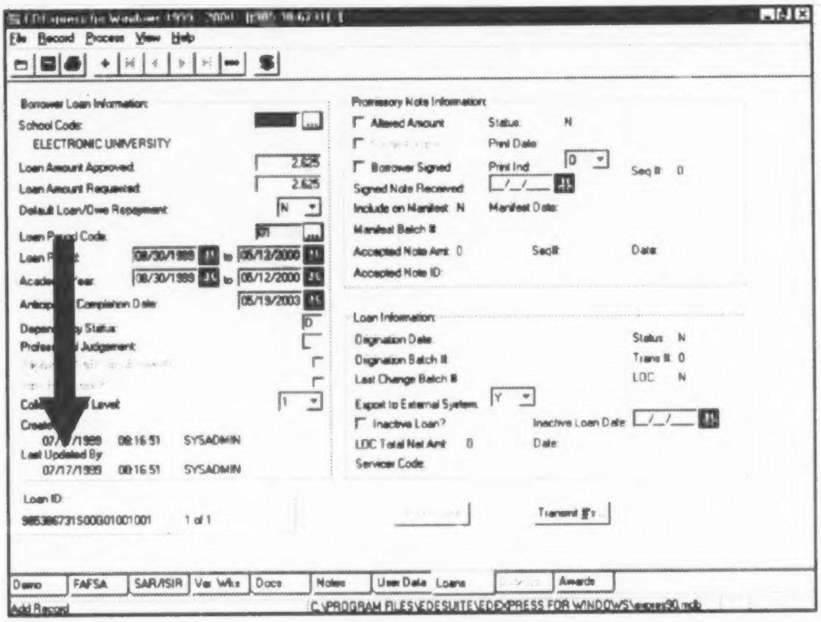
For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

Click **File/Save** to save the record.

Click **OK**.

Note:

If you make a mistake typing the Social Security number, you can exit the record without saving and begin again.



Borrower Loan Information:
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date: 05/19/2003
Dependency Status: D
Professional Judgement:
College Grade Level: 1
Created By:
07/17/1999 08:16:51 SYSADMIN
Last Updated By:
07/17/1999 08:16:51 SYSADMIN
Loan ID:
985386731S00G01001001 1 of 1

Promissory Note Information:
☐ Altered Amount Status: N
Print Date
☐ Borrower Signed Print Ind: 0 Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N Manifest Date:
Manifest Batch #
Accepted Note Amt: 0 Seq#: Date:
Accepted Note ID:

Loan Information:
Origination Date: Status: N
Origination Batch #: Trans #: 0
Last Change Batch #: LOC: N
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt: 0 Date:
Servicer Code:

Add Record C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Note the time and date of the updates.

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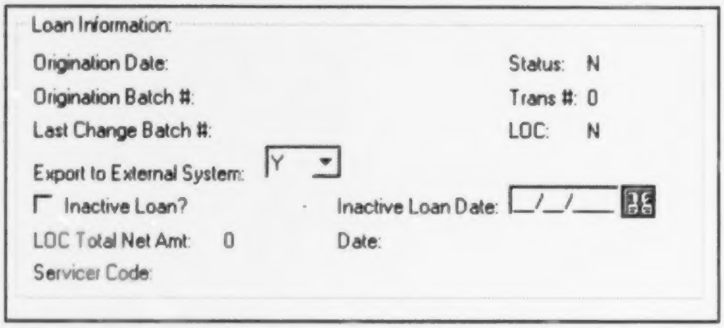
Loan Information

*The loan information panel indicates the record is not ready to send to the LOC (Status = **N**).*

*Click the **Next** button.*



Loan Information:

Origination Date:

Origination Batch #:

Last Change Batch #:

Export to External System: Y

☐ Inactive Loan?

LOC Total Net Amt: 0

Servicer Code:

Status: N

Trans #: 0

LOC: N

Inactive Loan Date: __/__/____

Date:

Status Flags

Status flags track where in the process the full origination record stands. Loan origination status can be:

N = Not Ready to Send

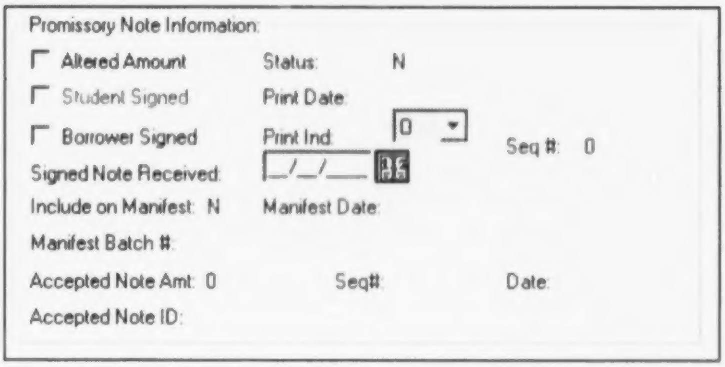
R = Ready to Send

B = Batched

A = Accepted by the LOC

E = Rejected by the LOC

Promissory Note Information



Promissory Note Information:

☐ Altered Amount Status: N

☐ Student Signed Print Date:

☐ Borrower Signed Print Ind: 0 Seq #: 0

Signed Note Received: __/__/____

Include on Manifest: N Manifest Date:

Manifest Batch #:

Accepted Note Amt: 0 Seq#: Date:

Accepted Note ID:

The promissory note information panel indicates whether the promissory note is ready to be printed. ***N*** *for No has been entered for this record.*

Status Flags

Status flags track where in the process the promissory note stands. Promissory note status can be:

N = Not Ready to Print (only for Stafford loans)

R = Ready to Print

P = Printed

X = Pending

S = Signed

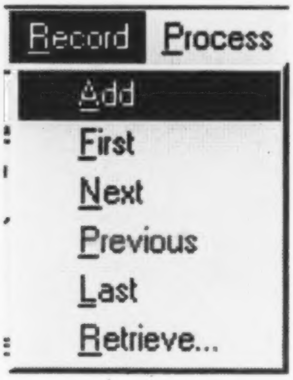
A = Accepted by the LOC

E = Error Rejected by the LOC

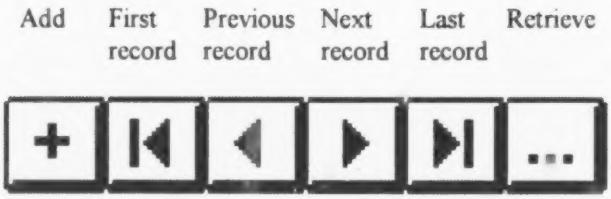
Loan Record Navigation

If you have created more than one loan for a student, you can view the other records even though the Loan tab displays only one record at a time. EDExpress provides two methods for navigating through various loan records you may have created for one student.

Record Function

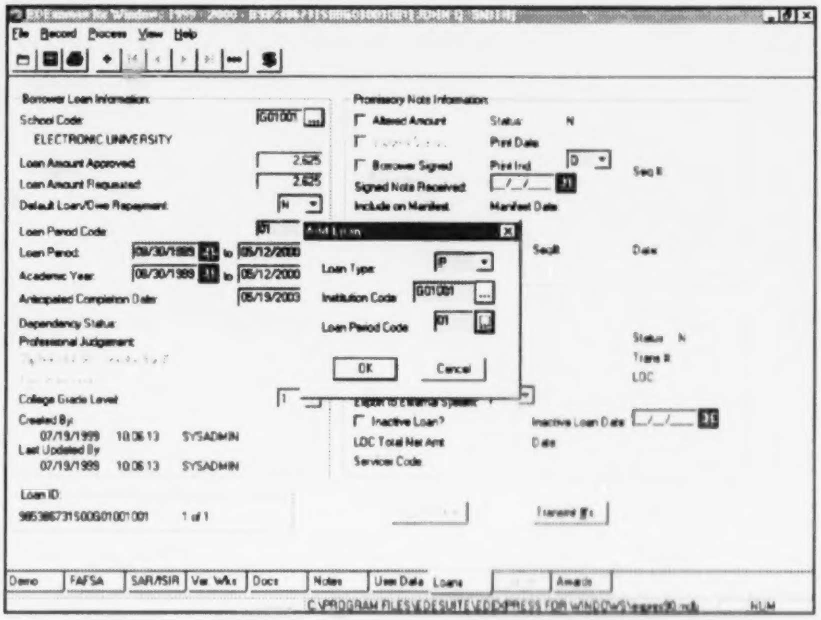

Record
Process
Add
First
Next
Previous
Last
Retrieve...

Navigation Icon Bar


Add
First record
Previous record
Next record
Last record
Retrieve
+
...

PLUS Record Add

Use the Record Add function to create other loans such as PLUS or Unsubsidized Stafford.



Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date: 05/19/2003
Dependency Status:
Professional Judgement:
College Grade Level: 1
Created By: 07/19/1999 10:06:13 SYSADMIN
Last Updated By: 07/19/1999 10:06:13 SYSADMIN
Loan ID: 985386731S00G01001001 1 of 1

Promissory Note Information:
☐ Altered Amount
Status: N
Print Date
☐ Borrower Signed
Print Ind: D
Seq #
Signed Note Received: _/_/___
Include on Manifest
Manifest Date
SeqII
Date
Status N
Trans #
LOC
Export to External System
☐ Inactive Loan?
Inactive Loan Date: _/_/___
LOC Total Net Amt
Date
Servicer Code

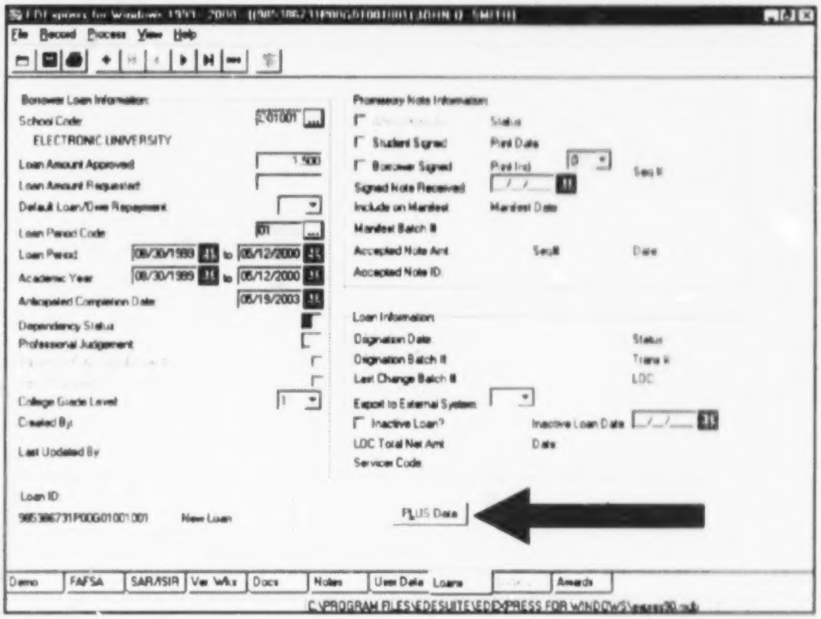
Add Loan
Loan Type: P
Institution Code: G01001
Loan Period Code: 01

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\

Click the ***Add*** ☐ *button to add a new record*

Select the desired loan type and Loan Period. ***P*** *for PLUS has been entered for this record, as well as a loan period of* ***01***

Click ***OK***



Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 1,500
Loan Amount Requested:
Default Loan/Owe Repayment:
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date: 05/19/2003
Dependency Status
Professional Judgement
College Grade Level: 1
Created By:
Last Updated By:
Loan ID: 985386731P00G01001001 New Loan

Promissory Note Information:
Status
☐ Student Signed
Print Date
☐ Borrower Signed
Print Ind: D
Seq #
Signed Note Received: _/_/___
Include on Manifest
Manifest Date
Manifest Batch #
Accepted Note Amt
SeqII
Date
Accepted Note ID

Loan Information:
Origination Date
Status
Origination Batch #
Trans #
Last Change Batch #
LOC
Export to External System
☐ Inactive Loan?
Inactive Loan Date: _/_/___
LOC Total Net Amt
Date
Servicer Code

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Type the loan amount

Set the default flag to ***N***

Click the ***PLUS Data*** *button to enter the parent's information*

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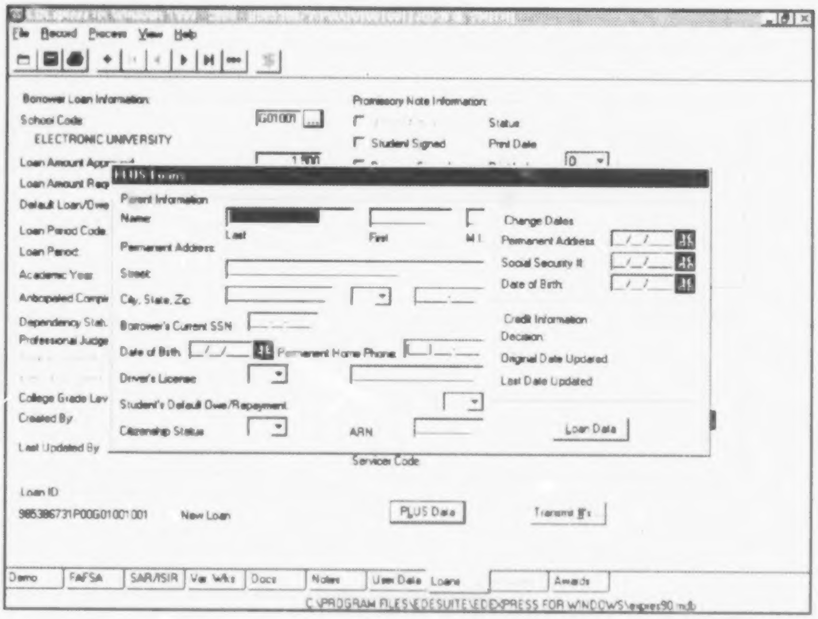
This box is used to store information about the parent borrower.

The loan cannot be originated without the completed PLUS data.


File Record Process View Help
Borrower Loan Information
Promissory Note Information
Status
Student Signed
Print Date
Loan Amount Approved
Loan Amount Req
Default Loan/Owe
Loan Period Code
Loan Period
Academic Year
Anticipated Comple
Dependency Stat.
Professional Judge
College Grade Lev
Created By
Last Updated By
PLUS Loan
Parent Information
Name
Last
First
M.I.
Permanent Address
Street
City, State, Zip
Borrower's Current SSN
Date of Birth
Permanent Home Phone
Driver's License
Student's Default Owe/Repayment
Citizenship Status
ARN
Change Dates
Permanent Address
Social Security #
Date of Birth
Credit Information
Decision
Original Date Updated
Last Date Updated
Loan Data
Servicer Code
Loan ID
PLUS Data
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver. Wks
Docs
Notes
User Data
Loans
Awards

School Code: G01001

ELECTRONIC UNIVERSITY

Loan Amount Approved: 1,900

Loan ID: 985386731P00G01001001 New Loan

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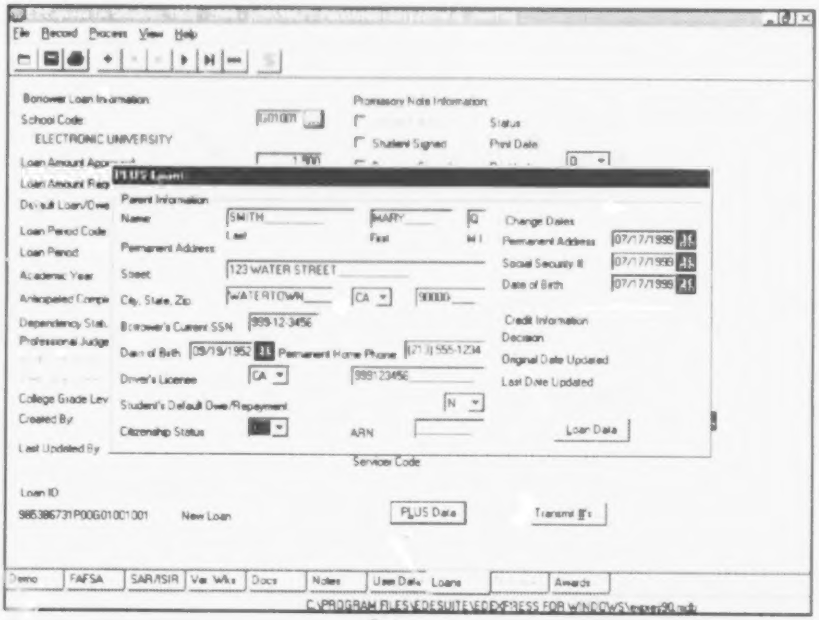
The PLUS Data box is completed.

Click the ***Loan Data*** *button.*


File Record Process View Help
Borrower Loan Information
Promissory Note Information
Status
Student Signed
Print Date
Loan Amount Approved
Loan Amount Req
Default Loan/Owe
Loan Period Code
Loan Period
Academic Year
Anticipated Comple
Dependency Stat.
Professional Judge
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Last Updated By
PLUS Loan
Parent Information
Last
First
M.I.
Permanent Address
Change Dates
Credit Information
Decision
Original Date Updated
Last Date Updated
Loan Data
Servicer Code
Loan ID
PLUS Data
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver. Wks
Docs
Notes
User Data
Loans
Awards

School Code: G01001

ELECTRONIC UNIVERSITY

Loan Amount Approved: 1,900

Name: SMITH MARY Q

Street: 123 WATER STREET

City, State, Zip: WATERTOWN CA 90000

Borrower's Current SSN: 999-12-3456

Date of Birth: 09/19/1952

Permanent Home Phone: (213) 555-1234

Driver's License: CA 999123456

Student's Default Owe/Repayment: N

Permanent Address: 07/17/1999

Social Security #: 07/17/1999

Date of Birth: 07/17/1999

Loan ID: 985386731P00G01001001 New Loan

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PLUS Loan Amounts

Unlike Stafford, PLUS calculates anticipated disbursements based on the value of the loan amount approved.

On a PLUS record, a borrower cannot be approved for an amount greater than the request on the application/promissory note. Since the loan amount requested may be greater than the approved amount, the anticipated disbursements are determined by the loan amount approved. Therefore, any changes must be made to the loan amount approved. If the promissory note indicates different amounts for these two fields, the LOC uses the lower amount to compare to the origination record.

	Loan Amount Approved	Loan Amount Requested
Stafford	Maximum amount for which the borrower is eligible.	Maximum amount the borrower wishes to receive, not to exceed the amount approved.
PLUS	Maximum amount for which the borrower is eligible, not to exceed the amount requested.	Maximum amount the borrower wishes to receive; up to the student's cost of attendance, less estimated financial assistance.

Note:

For PLUS, the maximum amount the borrower is eligible for is based on the cost of attendance. For Stafford, the maximum amount the borrower is eligible for is based on the grade level and dependency status.

Process/Originate

All loan records must be originated before full origination records can be exported to the Loan Origination Center.

Process/Originate is the software command that applies the loan amount requested (Stafford) or the loan amount approved (PLUS) to the anticipated disbursement dates on the loan record. This process divides the loan amount by anticipated disbursement percentages, rounds accordingly, and calculates the gross, fee, and net anticipated disbursements.

The originate command also edits the loan data for accuracy. If any data is missing or invalid, you are prompted to enter any required data and to try the originate command again. If the loan record passes these edits, its loan origination status flag is set to **R** (Ready to Send) and the promissory note status is set to **R** (Ready to Print).

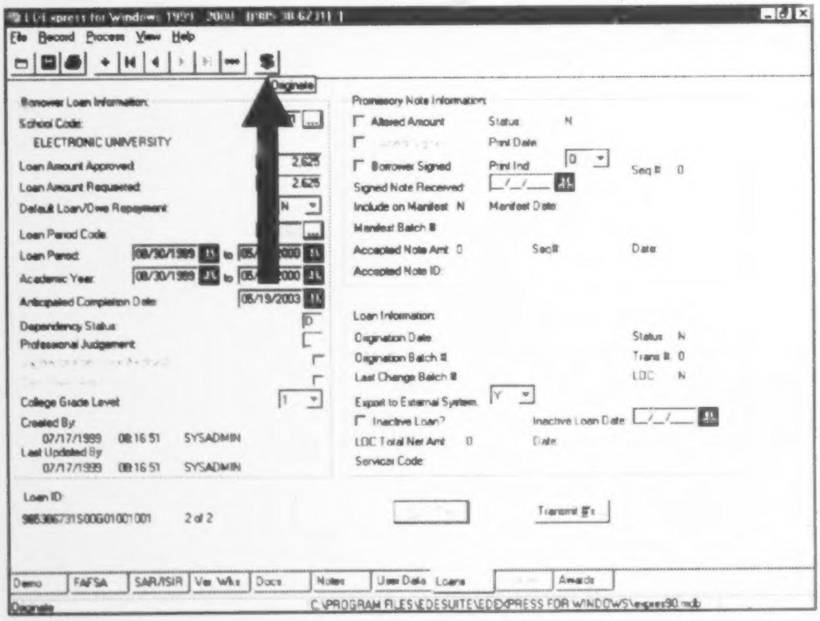
Loan Amount = 3000	***Anticipated Disbursement 1***	***Anticipated Disbursement 2***
	09/01/1999 50%	01/11/2000 50%
Gross	1500	1500
Fee (4%)	60	60
Net	1440	1440

Importing Complete Records

If you import complete loan records (including loan amounts) from the EDExpress Packaging module or an external source, EDExpress originates the records automatically. It also originates the records automatically if you import change records from an external source that complete existing records. (See the *Direct Loan Technical Reference* for details.)

How To Originate a Loan Record

The origination process in EDExpress calculates the anticipated disbursements and gets the loan record ready to send to the LOC.


EDExpress for Windows 1999 - 2000
File Record Process View Help
Originate
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards
Transmit #'s

Borrower Loan Information:
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code:
Loan Period: 08/30/1999 to 05/ 2000
Academic Year: 08/30/1999 to 05/ 2000
Anticipated Completion Date: 05/19/2003
Dependency Status: D
Professional Judgement:
College Grade Level: 1
Created By: 07/17/1999 08:16:51 SYSADMIN
Last Updated By: 07/17/1999 08:16:51 SYSADMIN
Loan ID: 985386731S00G01001001 2 of 2

Promissory Note Information:
☐ Altered Amount Status: N
☐ Print Date
☐ Borrower Signed Print Ind: 0 Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N Manifest Date:
Manifest Batch #
Accepted Note Amt: 0 Seq# Date
Accepted Note ID:

Loan Information:
Origination Date: Status: N
Origination Batch #: Trans #: 0
Last Change Batch #: LOC: N
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt: 0 Date
Servicer Code:

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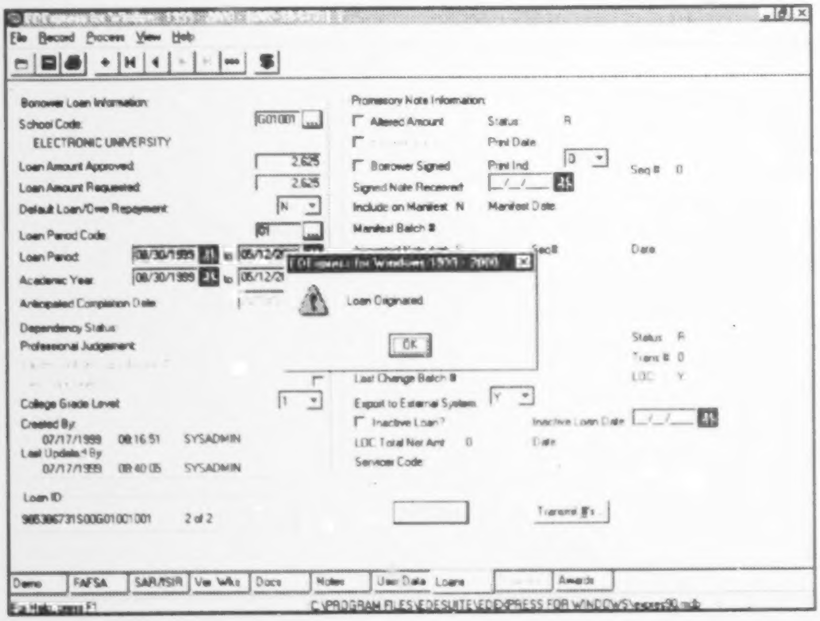
Choose ***Process/ Originate*** from the menu or click the ***Originate*** **$** button.


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Awards
Transmit #'s
For Help, press F1

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/20
Academic Year: 08/30/1999 to 05/12/20
Anticipated Completion Date:
Dependency Status:
Professional Judgement:
College Grade Level: 1
Created By: 07/17/1999 08:16:51 SYSADMIN
Last Updated By: 07/17/1999 08:40:05 SYSADMIN
Loan ID: 985386731S00G01001001 2 of 2

Promissory Note Information:
☐ Altered Amount Status: R
☐ Print Date
☐ Borrower Signed Print Ind: 0 Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N Manifest Date:
Manifest Batch #
Seq# Date

EDExpress for Windows 1999 - 2000
Loan Originated
OK

Status: R
Trans #: 0
Last Change Batch # LOC: Y
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt: 0 Date
Servicer Code:

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

*Click **OK**.*

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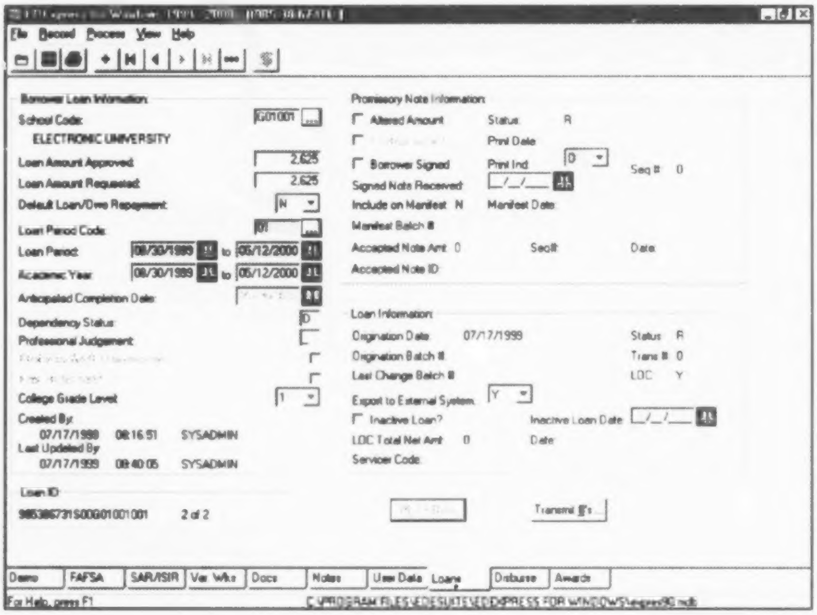
What is the loan origination status of this record? Why did it change?

What is the promissory note status of this record? Why did it change?


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit #'s...

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status: D
Professional Judgement:
College Grade Level: 1
Created By:
07/17/1999 08:16:51 SYSADMIN
Last Updated By:
07/17/1999 08:40:05 SYSADMIN
Loan ID:
985386731S00G01001001 2 of 2

Promissory Note Information:
☐ Altered Amount Status: R
☐ Print Date:
☐ Borrower Signed Print Ind: 0 Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N Manifest Date:
Manifest Batch #:
Accepted Note Amt: 0 Seq#: Date:
Accepted Note ID:

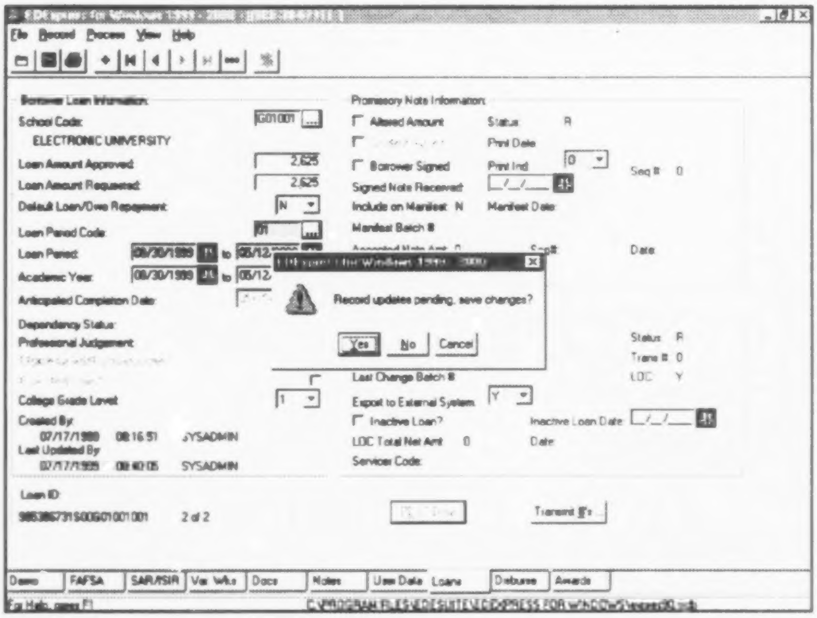
Loan Information:
Origination Date: 07/17/1999 Status: R
Origination Batch #: Trans #: 0
Last Change Batch #: LOC: Y
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt: 0 Date:
Servicer Code:

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expwn90.mdb

Click the **Disburse** tab.

Since the originated record hasn't been saved, the prompt to save displays.

Click **Yes**.


File Record Process View Help
Yes
No
Cancel
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit #'s...

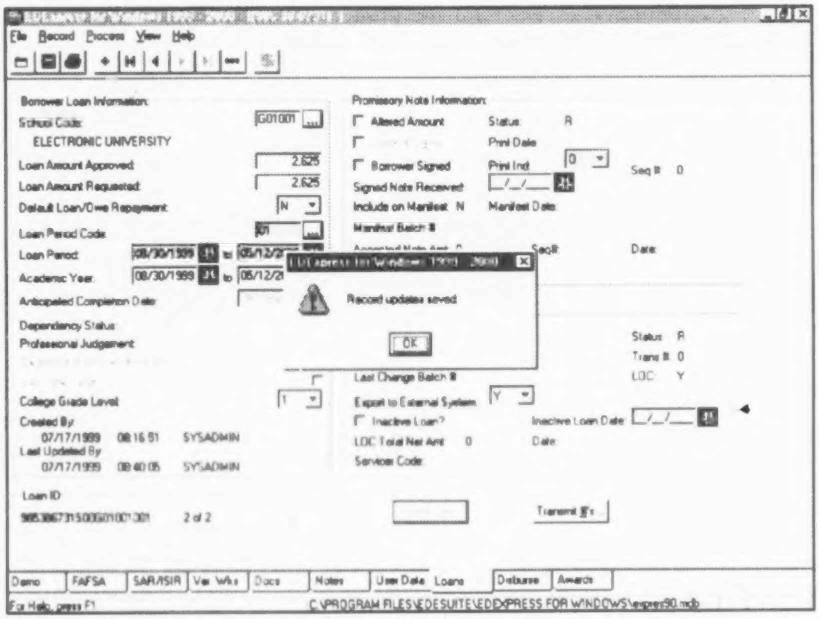
Record updates pending, save changes?

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/
Academic Year: 08/30/1999 to 05/12/
College Grade Level: 1
Created By:
07/17/1999 08:16:51 SYSADMIN
Last Updated By:
07/17/1999 08:40:05 SYSADMIN
Loan ID:
985386731S00G01001001 2 of 2

Promissory Note Information:
☐ Altered Amount Status: R
☐ Print Date:
☐ Borrower Signed Print Ind: 0 Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N Manifest Date:
Manifest Batch #:

Status: R
Trans #: 0
Last Change Batch #: LOC: Y
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt: 0 Date:
Servicer Code:

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expwn90.mdb


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit #'s

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2
Academic Year: 08/30/1999 to 05/12/2
Anticipated Completion Date:
Dependency Status:
Professional Judgement:
College Grade Level: 1
Created By
07/17/1999 08:16:51 SYSADMIN
Last Updated By
07/17/1999 08:40:05 SYSADMIN
Loan ID
985386731500G01001001 2 of 2

Promissory Note Information:
☐ Altered Amount
Status: R
Print Date
☐ Borrower Signed
Print Ind: 0
Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N
Manifest Date:
Manifest Batch #
Seq#:
Date:
Status: R
Trans #: 0
LOC: Y
Last Change Batch #
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt: 0
Date:
Servicer Code:

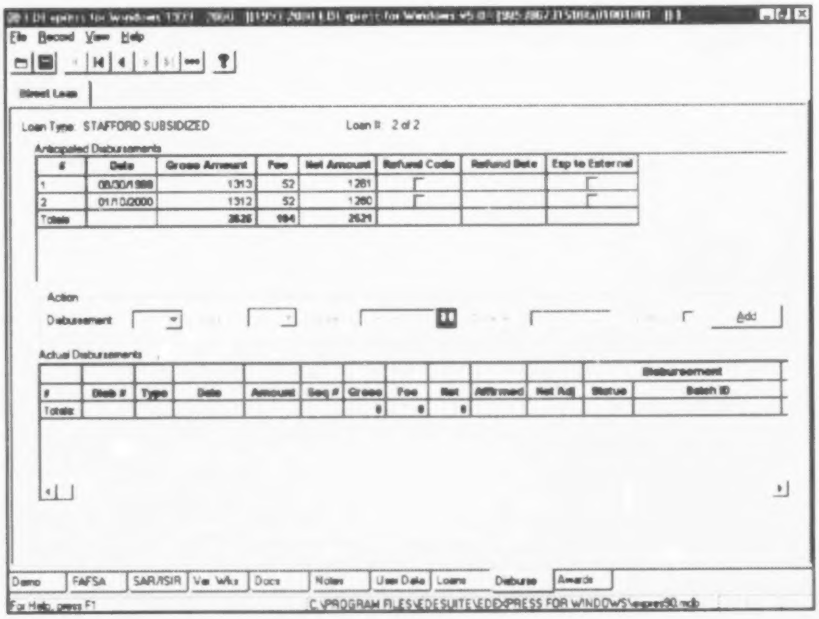
EDExpress for Windows 1999 - 2000

Record updates saved.

OK

For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click **OK**.


File Record View Help
Direct Loan
Action
Disbursement
Add
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards

Loan Type: STAFFORD SUBSIDIZED
Loan #: 2 of 2

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☐
2	01/10/2000	1312	52	1260	☐		☐
Totals		2625	104	2521			

Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
Totals						0	0	0				

For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

How did EDExpress know what anticipated disbursement dates to use?

Is the full origination record from this loan ready to send to the LOC?

You must save this record to preserve the origination data you just generated.

This loan record can now be included in a future export batch of full Stafford origination records to the LOC.

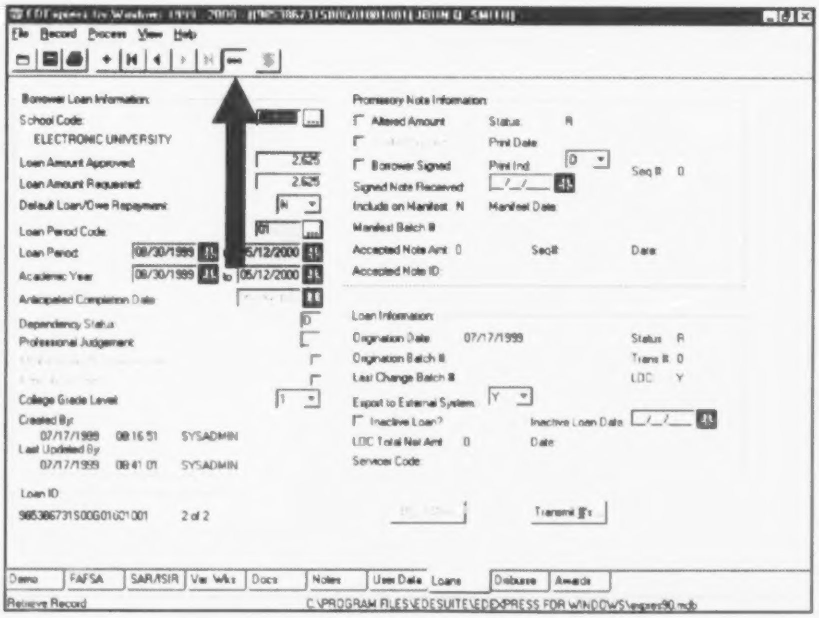
Click the ***Loans*** *tab.*

Note:

For details on Direct Loan rounding logic, see the Direct Loan Technical Reference.

You must now originate the PLUS loan that was created.

Click the ***Ellipsis*** *button to see a list of all loans.*



Borrower Loan Information:
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved: 2,625
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Dependency Status: D
College Grade Level: 1
Created By: 07/17/1999 08:16:51 SYSADMIN
Last Updated By: 07/17/1999 08:41:01 SYSADMIN
Loan ID: 985386731S00G01001001 2 of 2

Promissory Note Information:
Status: R
Print Ind: 0
Seq #: 0
Include on Manifest: N
Accepted Note Amt: 0

Loan Information:
Origination Date: 07/17/1999
Status: R
Trans #: 0
LOC: Y
Export to External System: Y
LOC Total Net Amt: 0

File Record Process View Help
Altered Amount
Print Date
Borrower Signed
Signed Note Received
Manifest Date
Manifest Batch #
Seq#
Date
Accepted Note ID:
Anticipated Completion Date
Professional Judgement
Origination Batch #
Last Change Batch #
Inactive Loan?
Inactive Loan Date
Date
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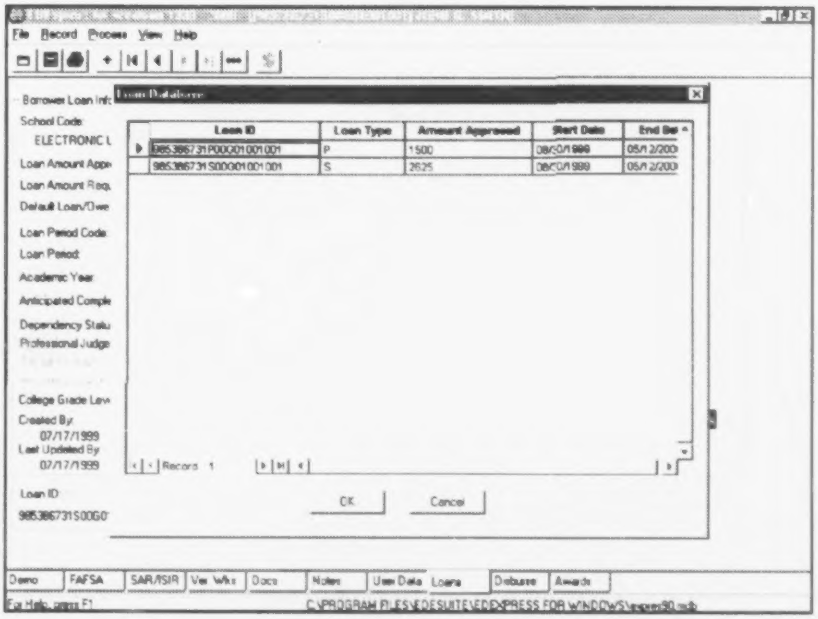
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards
Retrieve Record
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click the PLUS record to select it.

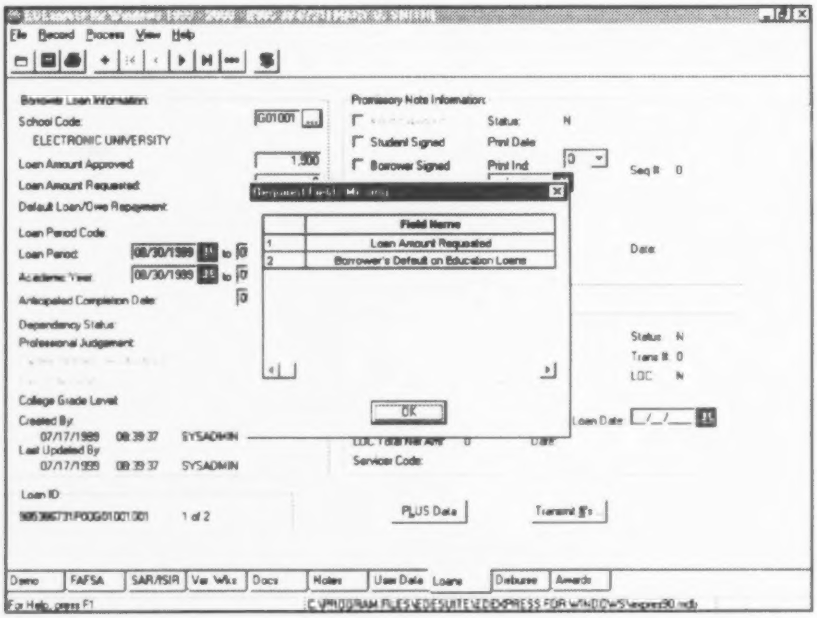
Click ***OK****.*



Loan Database

Loan ID	Loan Type	Amount Approved	Start Date	End Da
985386731P00G01001001	P	1500	08/30/1999	05/12/200
985386731S00G01001001	S	2625	08/30/1999	05/12/200

File Record Process View Help
Borrower Loan Inf
School Code
ELECTRONIC U
Loan Amount Appr
Loan Amount Req
Default Loan/Owe
Loan Period Code
Loan Period
Academic Year
Anticipated Comple
Dependency Statu
Professional Judge
College Grade Lev
Created By
07/17/1999
Last Updated By
07/17/1999
Loan ID
985386731S00G0
Record 1
OK
Cancel
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb


File Record Process View Help
Demo FAFSA SAR/ISIR Ver Wks Docs Notes User Data Loans Disburse Awards
PLUS Data
Transmit #'s
OK

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 1,500
Loan Amount Requested:
Default Loan/Owe Repayment:
Loan Period Code:
Loan Period: 08/30/1999 to
Academic Year: 08/30/1999 to
Anticipated Completion Date:
Dependency Status:
Professional Judgement:
College Grade Level:
Created By: 07/17/1999 08:39:37 SYSADMIN
Last Updated By: 07/17/1999 08:39:37 SYSADMIN
Loan ID: 985386731P00G01001001 1 of 2

Promissory Note Information:
Status: N
☐ Student Signed Print Date
☐ Borrower Signed Print Ind: 0
Seq #: 0
Status: N
Trans #: 0
LOC: N
Loan Date: _/_/___
LOC Total Net Amt: 0
Servicer Code:

Required Fields Missing

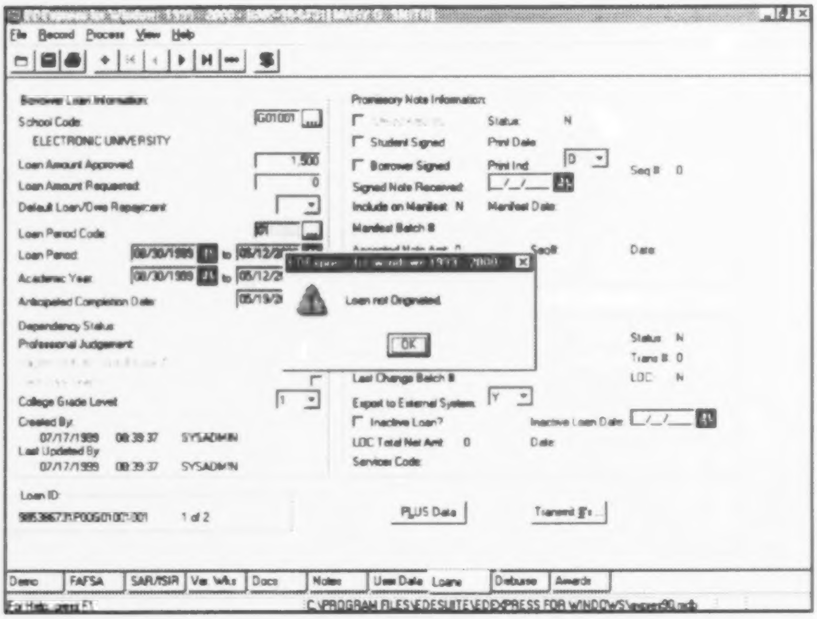
	Field Name
1	Loan Amount Requested
2	Borrower's Default on Education Loans

For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Select ***Process/Originate*** *from the menu bar.*

This record could not be originated because the loan amount requested and the default loan field were not completed.

Click ***Close****.*


File Record Process View Help
Demo FAFSA SAR/ISIR Ver Wks Docs Notes User Data Loans Disburse Awards
PLUS Data
Transmit #'s
OK

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 1,500
Loan Amount Requested: 0
Default Loan/Owe Repayment:
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2
Academic Year: 08/30/1999 to 05/12/2
Anticipated Completion Date: 05/19/2
Dependency Status:
Professional Judgement:
College Grade Level: 1
Created By: 07/17/1999 08:39:37 SYSADMIN
Last Updated By: 07/17/1999 08:39:37 SYSADMIN
Loan ID: 985386731P00G01001001 1 of 2

Promissory Note Information:
Status: N
☐ Student Signed Print Date
☐ Borrower Signed Print Ind: D
Seq #: 0
Signed Note Received: _/_/___
Include on Manifest: N Manifest Date:
Manifest Batch #:
Date:
Status: N
Trans #: 0
LOC: N
Last Change Batch #:
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: _/_/___
LOC Total Net Amt: 0 Date:
Servicer Code:

EDExpress for Windows 1999 - 2000

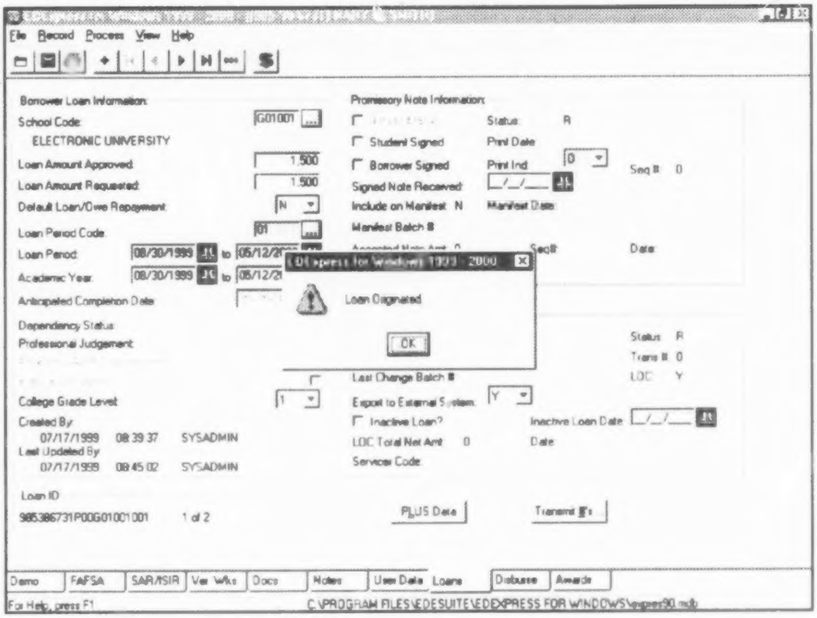
Loan not Originated.

For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click ***OK****.*

Modify the fields and originate again.

The PLUS record has now been originated.



File Record Process View Help

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 1,500
Loan Amount Requested: 1,500
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/20
Academic Year: 08/30/1999 to 05/12/20
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level: 1
Created By: 07/17/1999 08:39:37 SYSADMIN
Last Updated By: 07/17/1999 08:45:02 SYSADMIN
Loan ID: 985386731P00G01001001 1 of 2

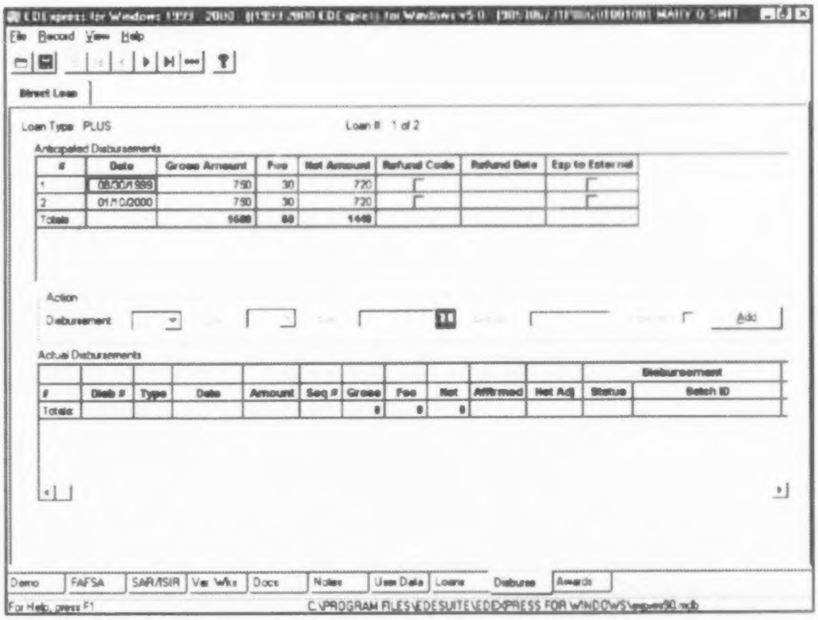
Promissory Note Information:
☐ Student Signed
☐ Borrower Signed
Status: R
Print Date
Print Ind: 0
Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N
Manifest Date
Manifest Batch #
Seq#
Date
Status: R
Trans #: 0
LOC: Y
Last Change Batch #
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt: 0
Date
Servicer Code

EDExpress for Windows 1999 - 2000

Loan Originated

OK
PLUS Data
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click the ***Disburse*** *tab to review the calculated anticipated disbursements.*



File Record View Help
Direct Loan

Loan Type: PLUS
Loan #: 1 of 2

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	750	30	720	☐		☐
2	01/10/2000	750	30	720	☐		☐
Totals		1500	60	1440			

Action
Disbursement

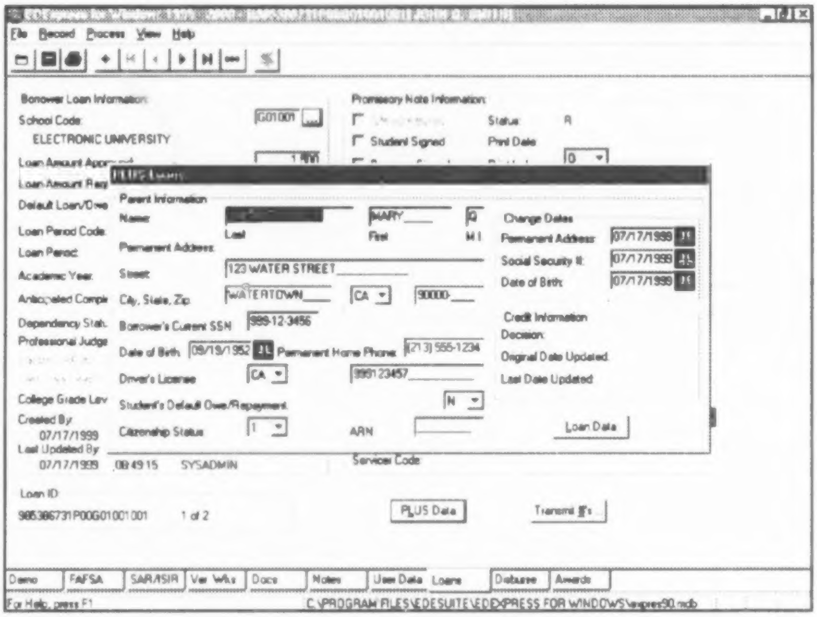
Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
Totals						0	0	0				

Add
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

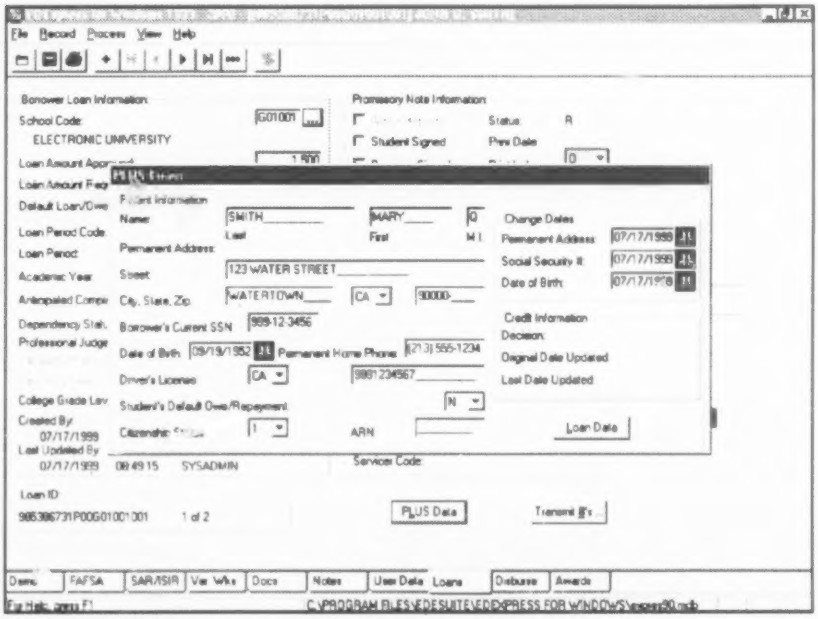
Modifying a Loan Record

If you need to correct a record that you have saved or originated but have not exported, just change the fields that need to be corrected and save the record.


File Record Process View Help
PLUS Loans
Loan Data
PLUS Data
Transmit #'s...
Demo FAFSA SAR/ISIR Ver Wks Docs Notes User Data Loans Disburse Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Promissory Note Information:
☐ Student Signed
Status: R
Parent Information
Name: Last, First MARY, M.I. Q
Permanent Address:
Street: 123 WATER STREET
City, State, Zip: WATERTOWN CA 90000-
Borrower's Current SSN: 999-12-3456
Date of Birth: 09/19/1952
Permanent Home Phone: (213) 555-1234
Driver's License: CA 9991234567
Student's Default Owe/Repayment: N
Citizenship Status: 1
ARN:
Change Dates
Permanent Address: 07/17/1999
Social Security #: 07/17/1999
Date of Birth: 07/17/1999
Credit Information
Decision:
Original Date Updated:
Last Date Updated:
Created By: 07/17/1999
Last Updated By: 07/17/1999 08:49:15 SYSADMIN
Servicer Code:
Loan ID: 985386731P00G01001001 1 of 2

In this example, the driver's license number was typed incorrectly.

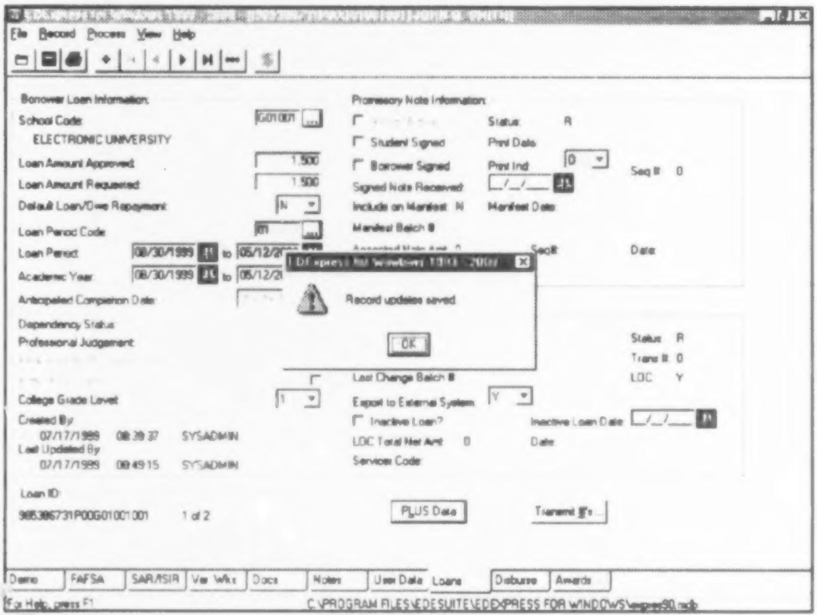

File Record Process View Help
PLUS Loans
Loan Data
PLUS Data
Transmit #'s...
Demo FAFSA SAR/ISIR Ver Wks Docs Notes User Data Loans Disburse Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Promissory Note Information:
☐ Student Signed
Status: R
Parent Information
Name: Last SMITH, First MARY, M.I. Q
Permanent Address:
Street: 123 WATER STREET
City, State, Zip: WATERTOWN CA 90000-
Borrower's Current SSN: 999-12-3456
Date of Birth: 09/19/1952
Permanent Home Phone: (213) 555-1234
Driver's License: CA 9991234567
Student's Default Owe/Repayment: N
Citizenship Status: 1
ARN:
Change Dates
Permanent Address: 07/17/1999
Social Security #: 07/17/1999
Date of Birth: 07/17/1998
Credit Information
Decision:
Original Date Updated:
Last Date Updated:
Created By: 07/17/1999
Last Updated By: 07/17/1999 08:49:15 SYSADMIN
Servicer Code:
Loan ID: 985386731P00G01001001 1 of 2

The change has been made.

BEST COPY AVAILABLE

Click **OK**.


File
Record
Process
View
Help
OK
PLUS Data
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 1,500
Loan Amount Requested: 1,500
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/20
Academic Year: 08/30/1999 to 05/12/20
Anticipated Completion Date:
Dependency Status:
Professional Judgement:
College Grade Level: 1
Created By: 07/17/1999 08:39:37 SYSADMIN
Last Updated By: 07/17/1999 08:49:15 SYSADMIN
Loan ID: 985386731P00G01001001 1 of 2

Promissory Note Information:
Status: R
☐ Student Signed
Print Date:
☐ Borrower Signed
Print Ind: 0
Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N
Manifest Date:
Manifest Batch #:
Seq#:
Date:

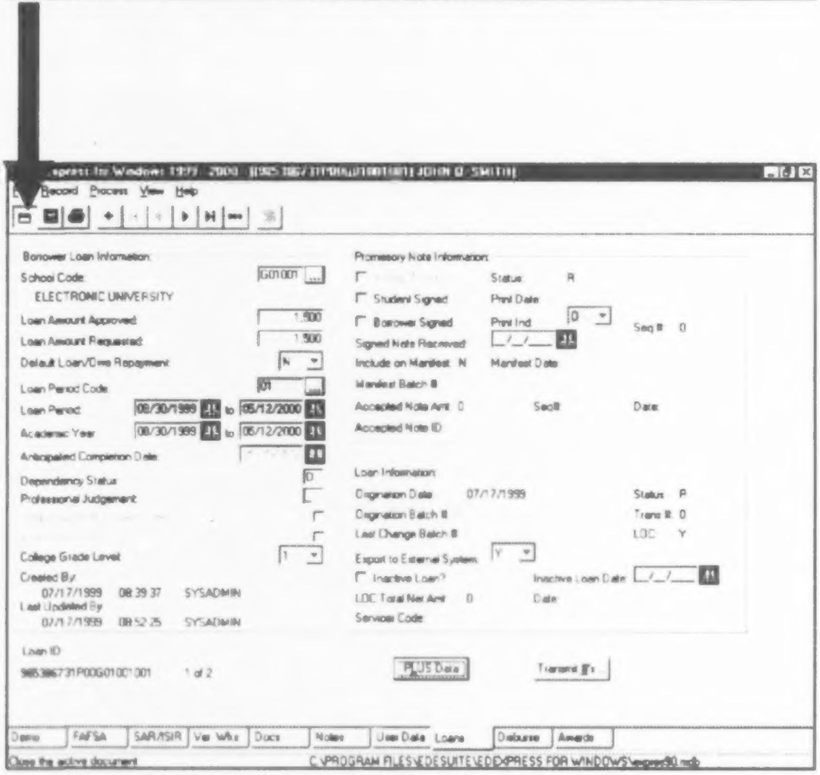
Record updates saved.

Status: R
Trans #: 0
LOC: Y
Last Change Batch #:
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt: 0
Date:
Servicer Code:

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click **File/Close** or the Close ▭ button to close the record.


Record
Process
View
Help
PLUS Data
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver Wks
Docs
Notes
User Data
Loans
Disburse
Awards

Borrower Loan Information:
School Code: G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved: 1,500
Loan Amount Requested: 1,500
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status: D
Professional Judgement:
College Grade Level: 1
Created By: 07/17/1999 08:39:37 SYSADMIN
Last Updated By: 07/17/1999 08:52:25 SYSADMIN
Loan ID: 985386731P00G01001001 1 of 2

Promissory Note Information:
Status: R
☐ Student Signed
Print Date:
☐ Borrower Signed
Print Ind: 0
Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N
Manifest Date:
Manifest Batch #:
Accepted Note Amt: 0
Seq#:
Date:
Accepted Note ID:

Loan Information:
Origination Date: 07/17/1999
Status: P
Origination Batch #:
Trans #: 0
Last Change Batch #:
LOC: Y
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt: 0
Date:
Servicer Code:

Close the active document

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Apply What you Know

Import ISIRs or Packaging Records

Imported ISIR records do not include loan amounts. You must originate these records manually. Imported Packaging records automatically originate if the minimum data elements (SSN, Anticipated Completion Date, School Code, etc.) are present.

1. Select **File/Import/Direct Loan** from the menu bar.
2. Click the **down arrow** on the Import Type text box to display a list of file types to import.
3. Select **Loan Data - ISIR** or **Loan Data - Packaging**.
4. Click **Screen**, **File**, or **Printer** as the output destination.

   If you want to send the report to a file: Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the file name in the text box automatically. Remember that if you print to a file, no hard copy prints on your printer. To print a hard copy, repeat the print process and select **Printer** as your output destination.
5. Click **Prompt For Duplicates** if you want EDExpress to display the IDs for ISIRs that are duplicates of those already in your database.
6. Click the **down arrow** in the Loan Type to Create text box to display and select from a list of loan types.
7. Click the Loan Period Code box and type the loan period code you want to use. Or, click the ellipsis (...) button to display and select from a list of codes.
8. Click the Institution Code box, and click the ellipsis (...) button to display and select from a list of institution codes.
9. (optional) Click the **Selection Criteria** button to narrow the group of records you want to work with. When you are finished, click **OK**.
10. Click **OK** to import the file and send the report to the destination you chose. The Database Load Statistics box appears.
11. Click **OK** to close the Database Load Statistics box. If you chose **Screen** as your output destination, use the scroll bars to view and click **OK** when you are finished.

Enter a Loan Record Manually

1. Select **File/New** from the menu bar.
2. Type the SSN and click **OK**.
3. The Demo tab appears. You must save a demo record for the student before you can enter data on other tabs. You must enter at least a last name to save a demo record (yellow fields are required).
4. Click on the **Loans** tab. Click **Record/Add** on the menu bar to create a new loan record. Choose the correct loan type, school code, and loan period code (optional).
5. Type the information in the data entry fields. Use your mouse or the **Tab** key to navigate between fields. Press **Tab** to move forward from field to field; press **Shift-Tab** to move in reverse.
6. Select **File/Save** from the menu bar to save the record.
7. Select **File/Close** from the menu bar to exit the record.

Edit a Single Loan Record

1. Select **File/Open** from the menu bar.
2. Type the SSN and click **OK** or click the **Ellipsis (...)** button or the **ISIR** button to display a list of records in the database and click on the record to select it. Click **OK**.
3. Click the **Loans** tab at the bottom of the screen. If the student has more than one loan record, choose the appropriate loan ID by clicking on **Record/Retrieve** on the menu bar. Select the correct loan ID from the list.
4. Modify data as needed. Use your mouse or the **Tab** key to navigate between fields. Press **Tab** to move forward from field to field; press **Shift-Tab** to move in reverse.
5. Select **File/Save** from the menu bar to save the changes.
6. Select **File/Close** from the menu bar to exit the record.

Import from an External Source

1. Select **File/Import** from the menu bar.
2. Click **Direct Loan**.
3. Click the **down arrow** on the Import Type text box to display a list of file types to import.
4. Select **Loan Data - External Add** or **Loan Data - External Change**.
5. Confirm that the default filename and data directory you established in Setup appear in the Import From box.

Or, if you want to export to a different filename, click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

6. Click **Screen**, **File**, or **Printer** as the report output destination.

If you want to send the report to a file:

Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

Remember that if you print to a file, no hard copy prints on your printer. To print a hard copy, repeat the print process and select **Printer** as your output destination.

7. Click **Y** for Yes at the Prompt For Duplicates prompt if you are importing external add records and you want EDExpress to display the IDs for loans that are duplicates of those already in your database. If you are importing external change records, go to the next step.
8. Click **OK** to import the file and send the report to the destination you chose. The Database Load Statistics box appears.
9. Click **OK** to close the Database Load Statistics box. If you chose Screen as your output destination, use the **scroll bars** to view and click **OK** when you are finished.
10. Review the results. If errors occurred, correct them in your import file, resave the file, and import the file again.

Discussion Questions for Chapter 3

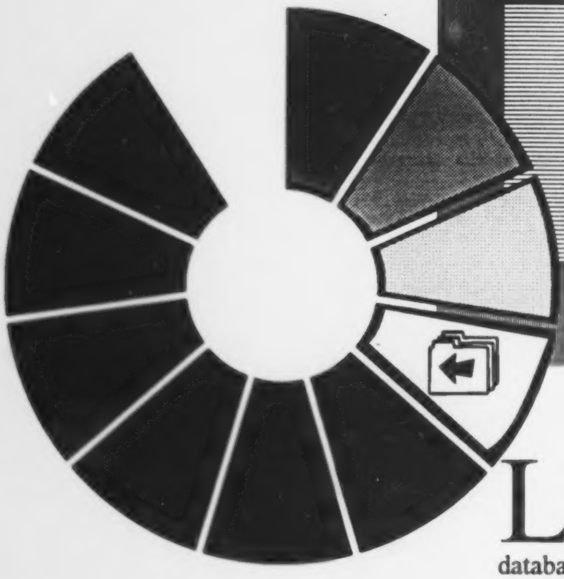
1. What are the five components of the loan ID?

2. What is the best way to create loan records at your school?

3. What is calculated when you originate a loan in EDExpress?

4. Whose Social Security number is used to create the loan ID for a PLUS loan—the student's or the parent's?

Chapter 4



Loan Records Part 2

Loan records have been created, originated, and saved. Now you're ready to send your first batch to the LOC. In this chapter, you learn how to export origination batches, browse the batch activity database, and import acknowledgements from the LOC.

4

Loan Records Part 2

Objectives

1. Use the Print function to print a list of loan records.
2. Use the Export function to create a batch of loan origination records.
   - Update the status flag
   - Identify the components of batch ID
3. Browse the Batch Activity database.
4. Use the Import function to load acknowledgements received from the LOC.
5. Review the record status flag updates as a result of the import.
6. Understand the PLUS credit decision process and ways to manage it.
7. Identify when a change record is needed.
8. Determine when a loan record can be inactivated.

Exporting Loan Records to the LOC

After you have created and originated loan records, you must know how to prepare them for transmission to the Loan Origination Center (LOC). This is done with the Export command from the File menu. The Export command creates a batch that contains the records from your database that have a loan status flag of "R" (ready to send). A *batch* is a group of similar records that are placed into a file. This file is then available to transmit with EDconnect, the communications software.

Schools participating in all origination categories submit origination records to the LOC. While there is flexibility in the frequency of record submissions, establishing a regular submission schedule for these documents makes the reconciliation process manageable and efficient.

Option 1 or Standard originating schools must submit origination records to the LOC before funds are sent to the school for disbursement to the borrower.

Option 2 schools have additional flexibility in the record submission sequence. These schools must, however, submit all records no later than 30 days following the date of disbursement. They also may submit loan origination records prior to transmitting the actual disbursement information and promissory note, or simultaneously.

Important:

The Export command in EDExpress does not physically send any data to the LOC. It ***prepares*** *the data in a batch file that you must later transmit.*

Batch File Types

Five kinds of export batch files are associated with loan records. They are:

- Full Stafford Loan Origination Records
- Full PLUS Loan Origination Records
- Change Records
- Promissory Note Shipping Manifests (no electronic file)
- Disbursement Records

You must choose the Export command and run the process for each type of record routinely. (See Chapter 9 of this guide for more information on managing data.)

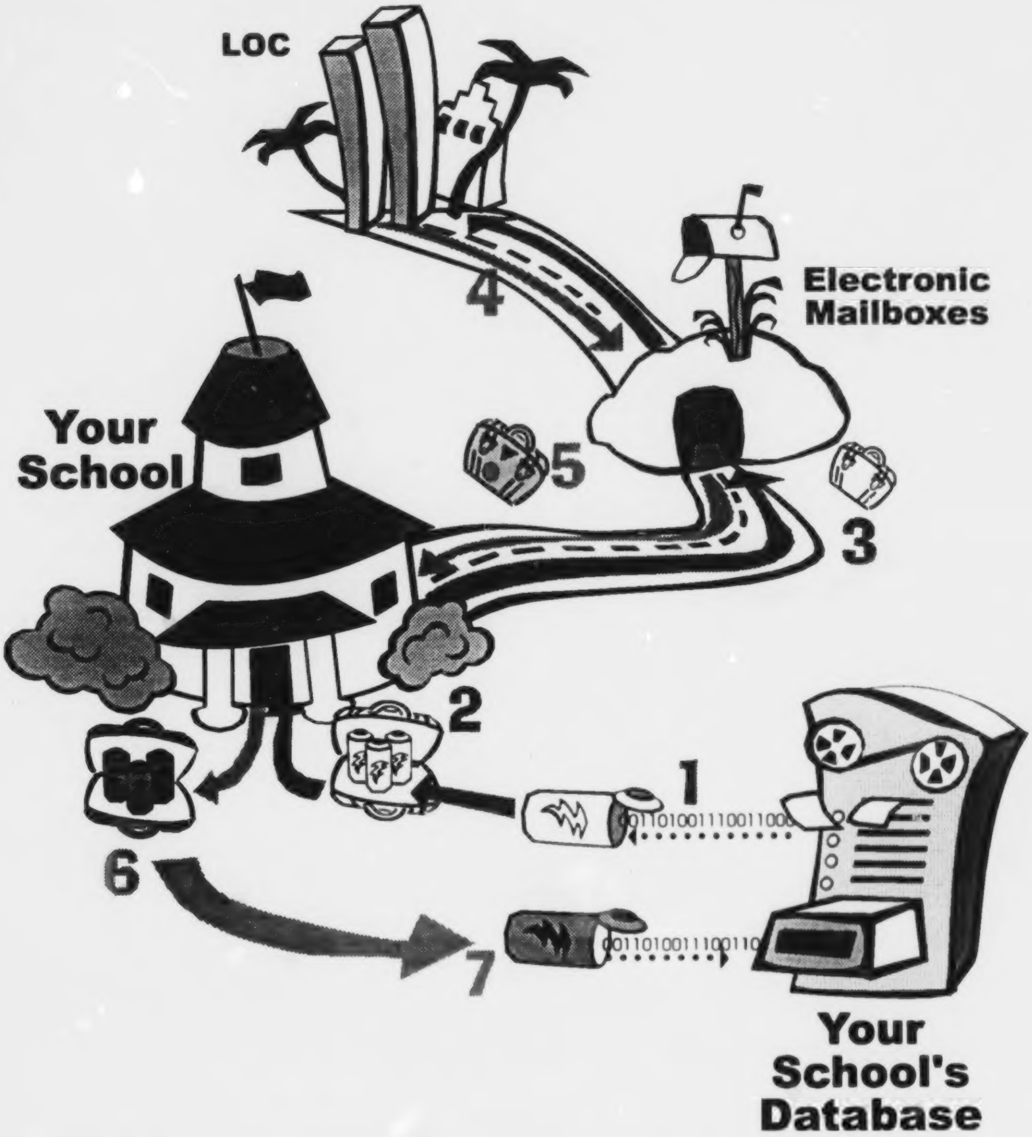
What Happens When You Export

Three important events take place when you choose the Export command:

1. **Batch ID**—The file that results from the export is assigned a batch ID, which is tracked in the Batch Activity database.
2. **Message Class**—The file that results from the export is placed in the IAM\DATA directory and given a name (called the message class) that identifies the data type.
3. **Status**—The status flags of any loan records associated with the batch file are updated to reflect that the record has been included in an export to the LOC.

Just as a reminder, in our discussion of Export we are referring to Step 2 in the 7-step process discussed in Chapter 1.

The 7-Step EDE Process


LOC
4
Electronic Mailboxes
Your School
5
3
2
1
0011010011100110
6
7
0011010011100110
Your School's Database

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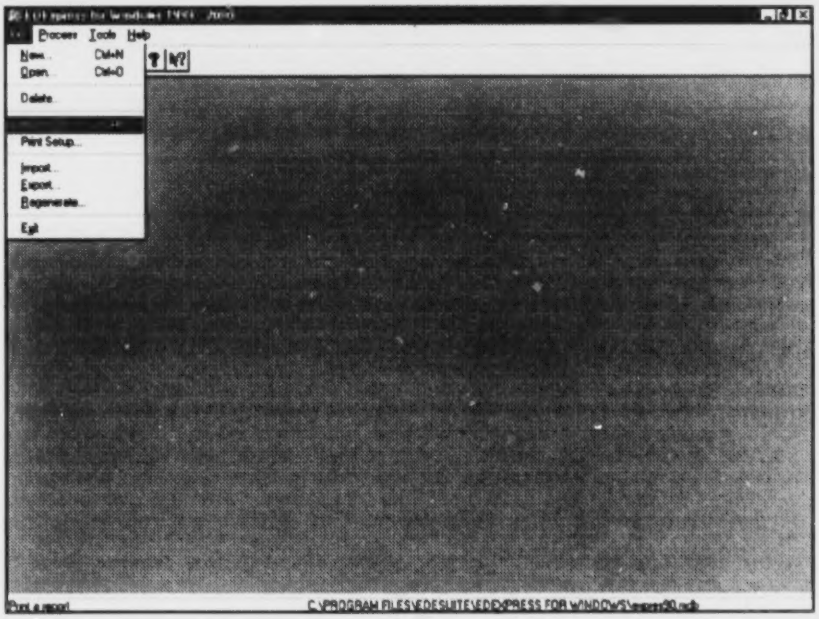
Printing a List of Loan Records

At this point you may want to see a list of the loan records you have created. Use the List - Loans report to see a list of the loans including origination status and amount.

*Select **File/Print** from the menu bar.*


Process
Tools
Help
New... Ctrl+N
Open... Ctrl+O
Delete...
Print Setup...
Import...
Export...
Regenerate...
Exit

Print a report

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\express90.mdb

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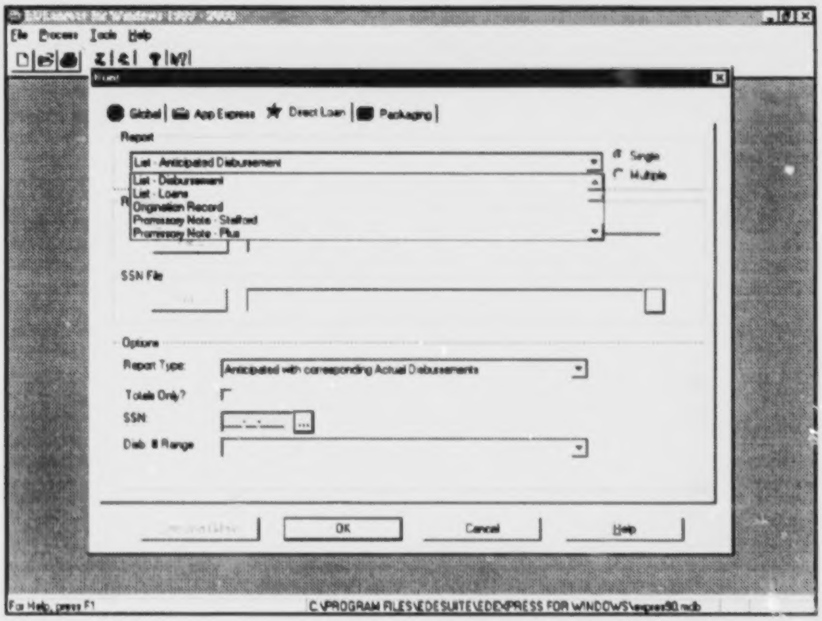

File Process Tools Help
Print
Global
App Express
Direct Loan
Packaging
List - Disbursement
List - Loans
Origination Record
Promissory Note - Stafford
Promissory Note - Plus
SSN File
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Report: List - Anticipated Disbursement

● Single
○ Multiple

Options

Report Type: Anticipated with corresponding Actual Disbursements

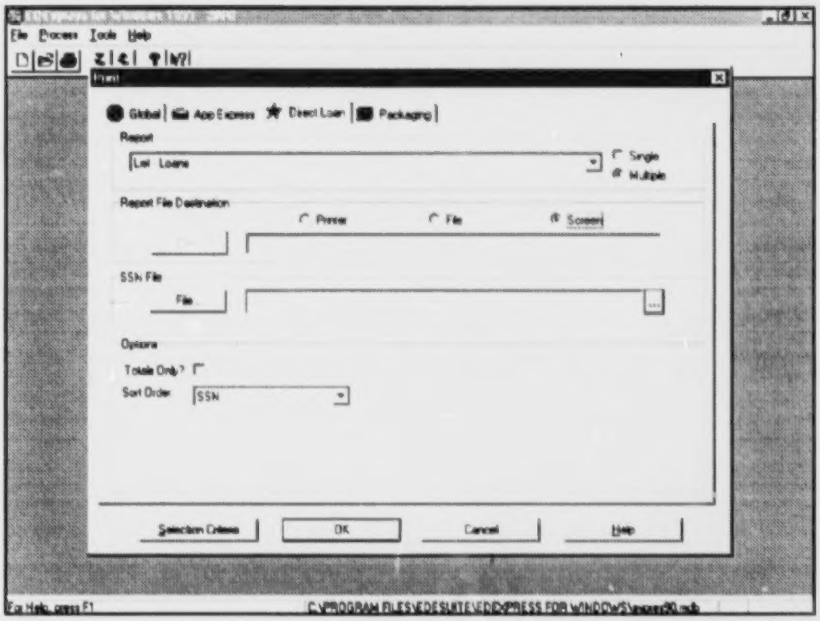
Totals Only? ☐

SSN:

Disb. # Range:

*Click the **Direct Loan** tab.*

*Click the **down arrow** in the Report field to select the **List - Loans** report.*


File Process Tools Help
Print
Global
App Express
Direct Loan
Packaging
SSN File
File...
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Report: List - Loans

○ Single
● Multiple

Report File Destination

○ Printer ○ File ● Screen

Options

Totals Only? ☐

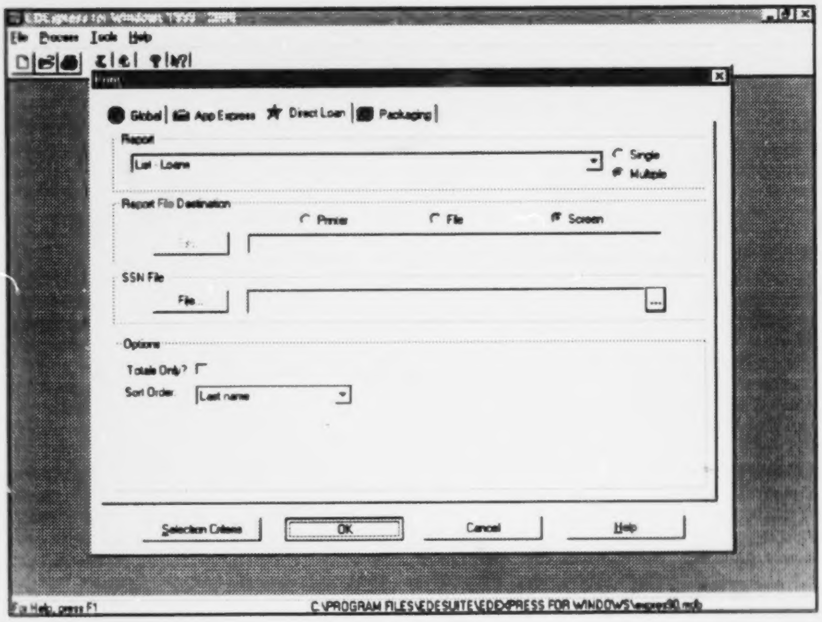
Sort Order: SSN

*Select **Multiple** to include more than one record on the report.*

*Click **Screen** to route the report to the screen.*

Select **Last Name** as the sort order.

Click **OK**.



File Process Tools Help
Global
App Express
Direct Loan
Packaging
File...
...
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\

Report: List - Loans
○ Single
● Multiple

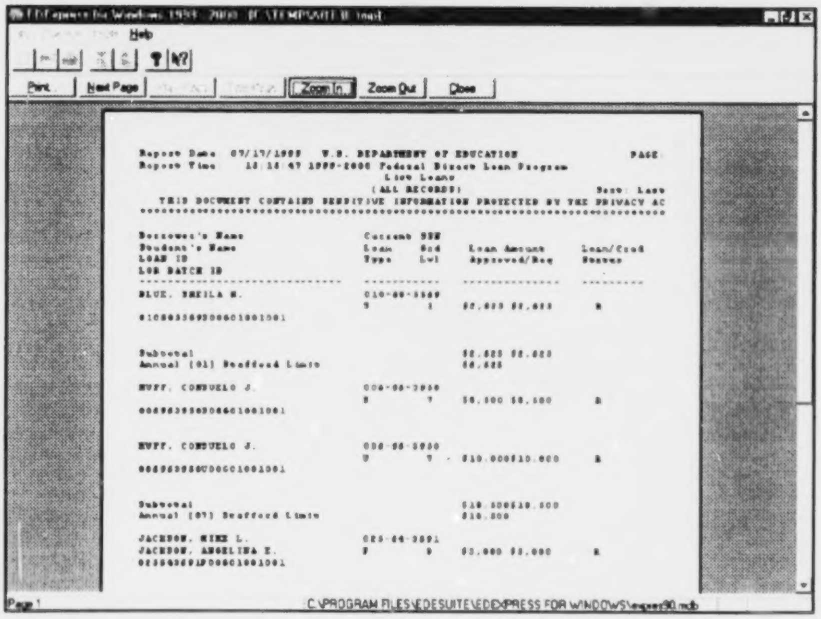
Report File Destination: ○ Printer ○ File ● Screen

SSN File:

Options
Totals Only? ☐
Sort Order: Last name

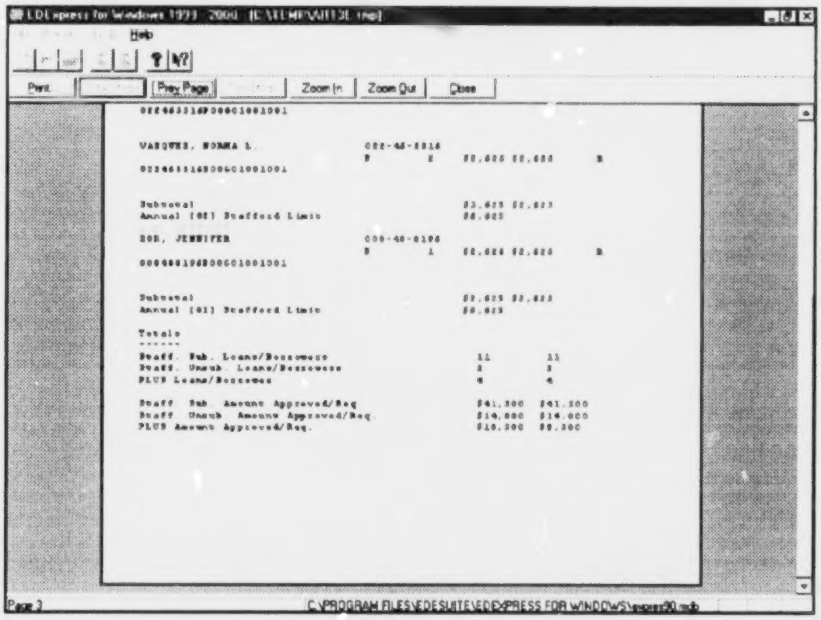
Note:

If you do not want to view a list of all loan records, use Selection Criteria or supply a list of SSNs.


Help
Print
Next Page
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\

For each loan, the loan type, the student's Social Security number and grade level, the loan amount and status are listed.

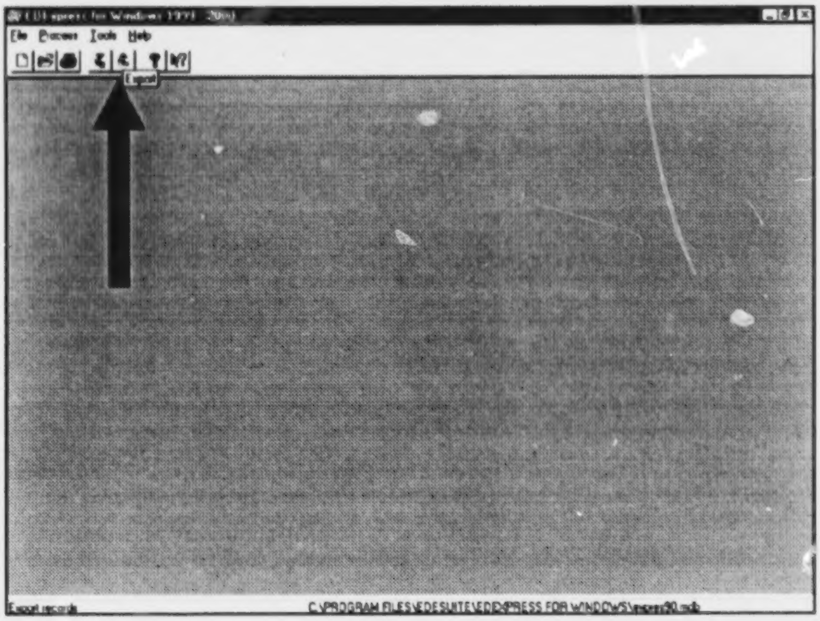
If the origination record has been batched, the report shows the origination batch ID.


Help
Print
Prev Page
Zoom In
Zoom Out
Close
Page 3
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\

Each list report in EDExpress also includes totals.

Exporting Full Stafford Origination Records

*Select **File/Export** from the menu bar or click the Export* ⇩ *button.*


EDExpress for Windows 1999 - 2000
File Process Tools Help
Export

Export records

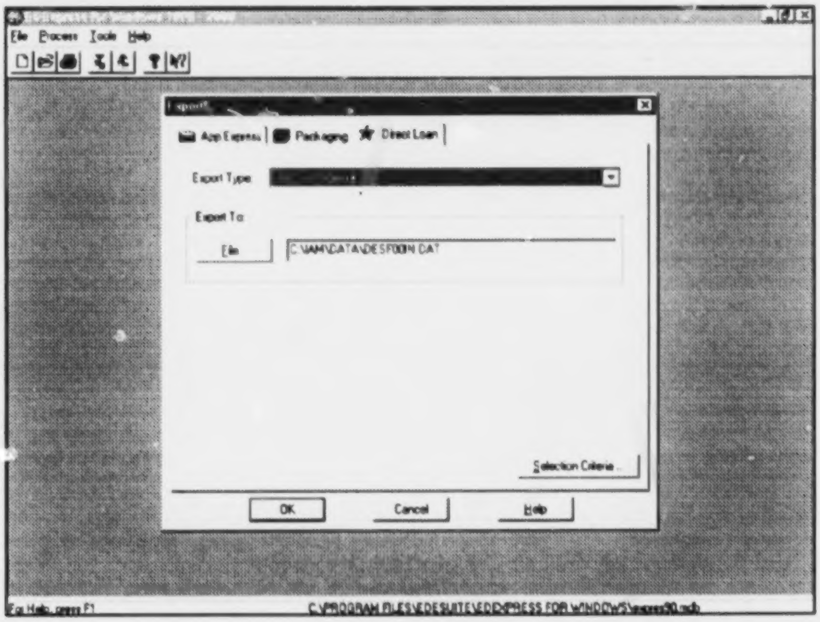
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

*Click the **Direct Loan** tab.*

*Select the export type as **LOC Full Stafford.***

The export batch is assigned a message class filename DESFOOIN.DAT.

*Click **OK**.*

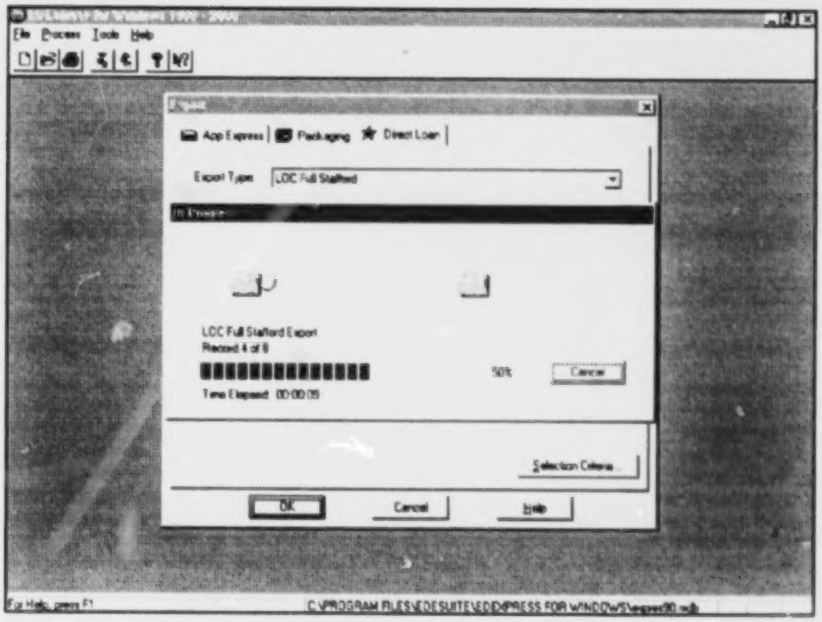

File Process Tools Help
Export
App Express
Packaging
Direct Loan
Selection Criteria...
OK
Cancel
Help

Export Type:

Export To: File C:\AAM\DATA\DESFOOIN.DAT

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

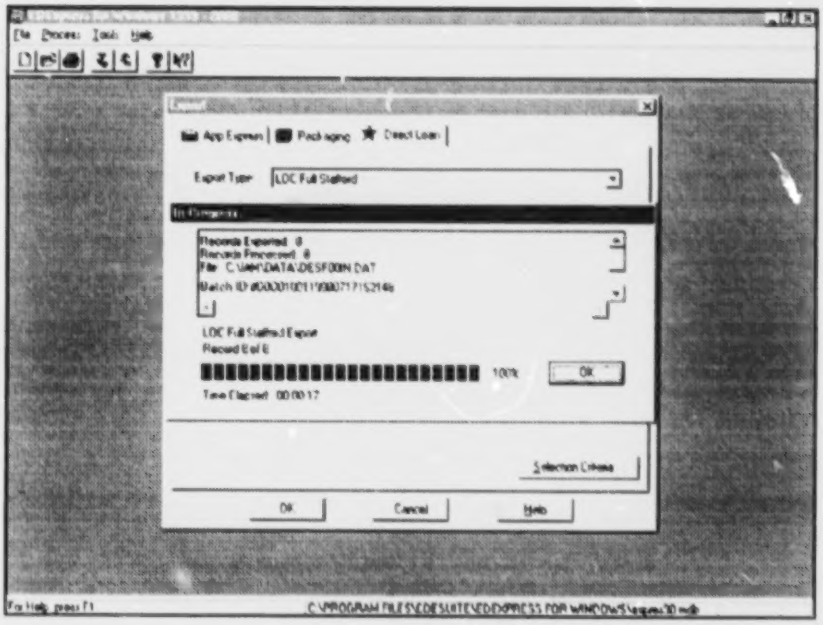

File Process Tools Help
App Express
Packaging
Direct Loan
In Progress
Cancel
Selection Criteria...
OK
Cancel
Help
For Help, press F1

Export Type: LOC Full Stafford

LOC Full Stafford Export
Record 4 of 8
50%
Time Elapsed: 00:00:09

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expes90.mdb

A progress bar indicates that the record is being exported.


File Process Tools Help
App Express
Packaging
Direct Loan
In Progress
OK
Selection Criteria
OK
Cancel
Help
For Help, press F1

Export Type: LOC Full Stafford

Records Exported: 8
Records Processed: 8
File: C:\WH\DATA\DESF00IN.DAT
Batch ID: #0000100119980717152146

LOC Full Stafford Export
Record 8 of 8
100%
Time Elapsed: 00:00:17

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expes90.mdb

The In Progress box displays the following:

1. *The number of records exported and processed in the export file.*
2. *The message class and path assigned to the export file.*
3. *The batch ID assigned to the export file.*

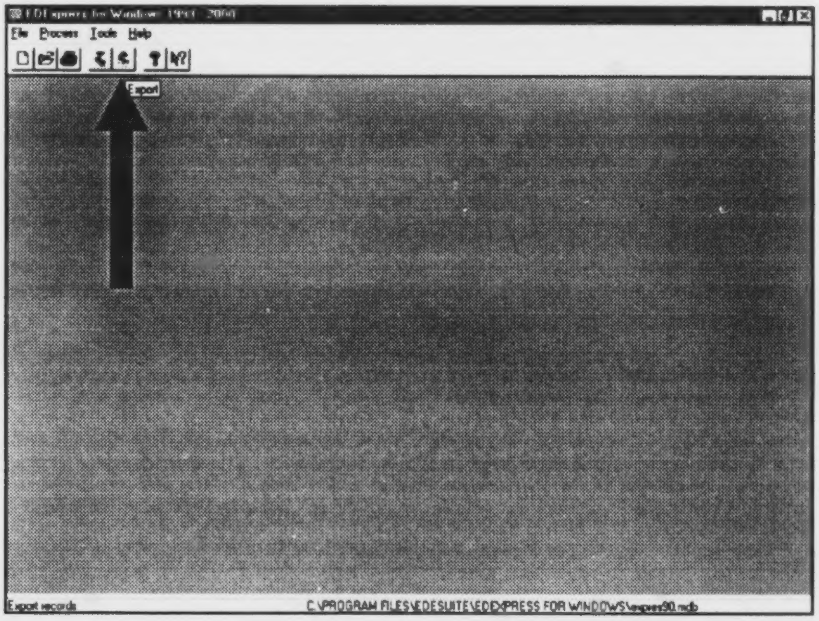
It is recommended you note the batch ID and the file name in your tracking log.

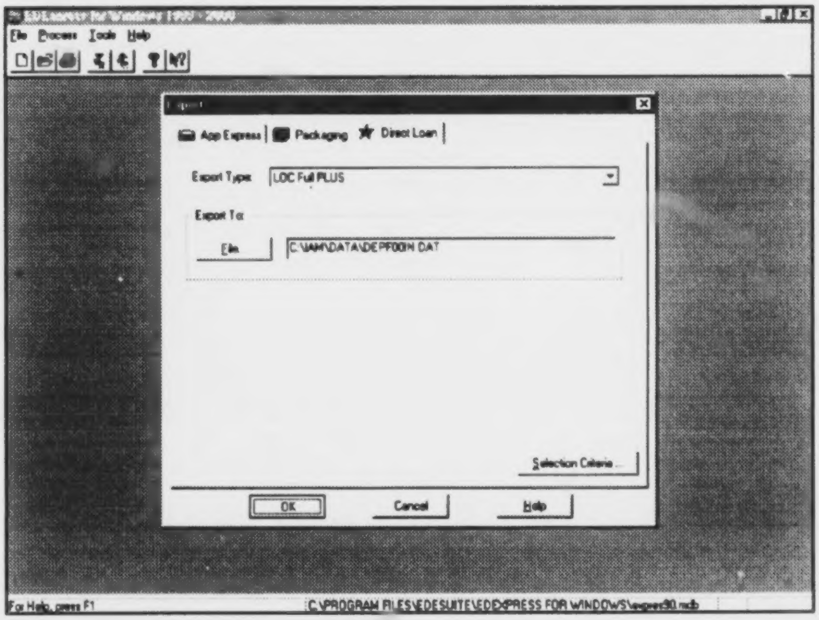
*Click **OK**.*

Exporting Full PLUS Origination Records

The process for exporting PLUS origination records is similar to that for Stafford Loans, but the export type and corresponding message class are different.

*Select **File/Export** from the menu bar or click the Export icon.*


EDExpress for Windows 1999 - 2000
File Process Tools Help
Export
Export records
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb


EDExpress for Windows 1999 - 2000
File Process Tools Help
Export
App Express
Packaging
Direct Loan
Export To:
File
Selection Criteria...
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Export Type: LOC Full PLUS

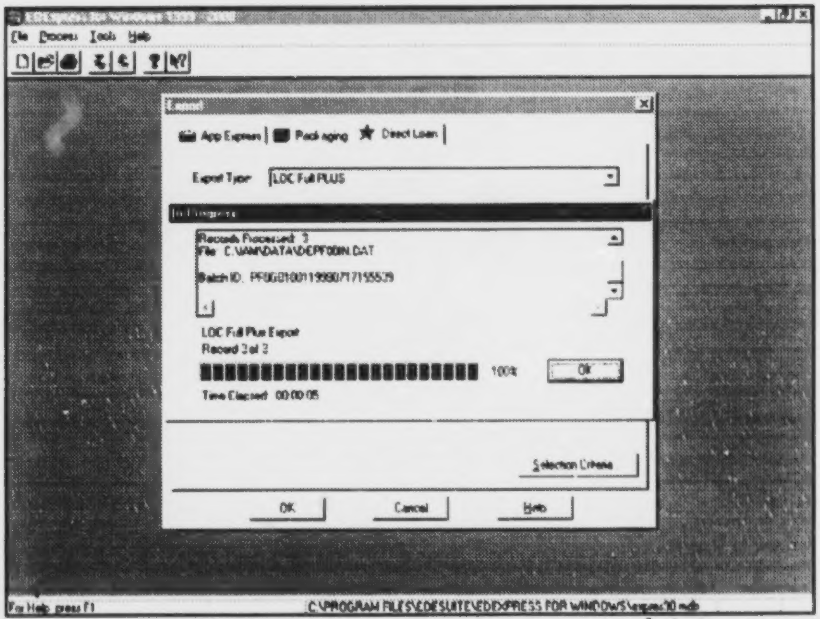
C:\AM\DATA\DEPF00IN.DAT

*Select the **Direct Loan** tab.*

*Select as the Export Type: **LOC Full PLUS**.*

The file created is DEPF00IN.DAT.

*Click **OK**.*


EDExpress for Windows 1999 - 2000
File Process Tools Help
Export
App Express
Packaging
Direct Loan
In Progress
OK
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Export Type: LOC Full PLUS

```
Records Processed: 3
File: C:\AM\DATA\DEPF00IN.DAT

Batch ID: PF0G0100119980717155539
```

LOC Full Plus Export
Record 3 of 3
100%
Time Elapsed: 00:00:05

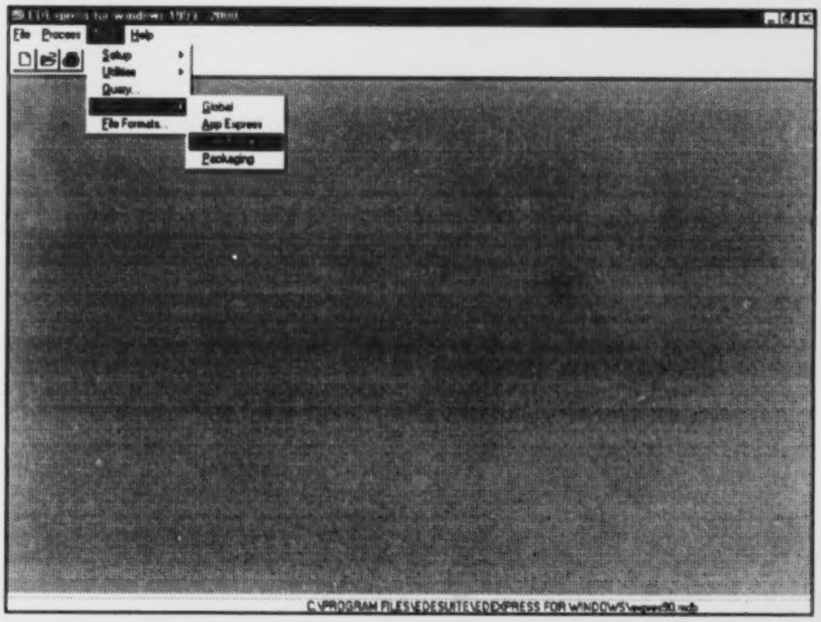
The Export Statistics box indicates the batch ID, the number of records in the export file, and the batch file name.

*Click **OK**.*

Viewing the Batch Activity Database

A batch ID is created for each batch of records you export. You can review information about each of your batches by browsing the Batch Activity Database.

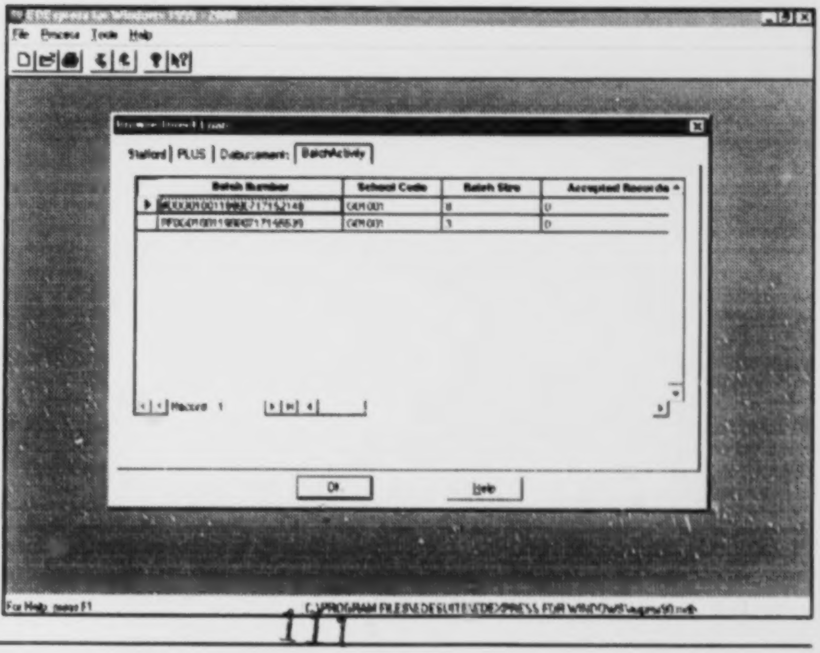
*Select **Tools/Browse/ Direct Loan**.*


File
Process
Help
Setup
Utilities
Query...
File Formats...
Global
App Express
Packaging
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expwr90.mdb

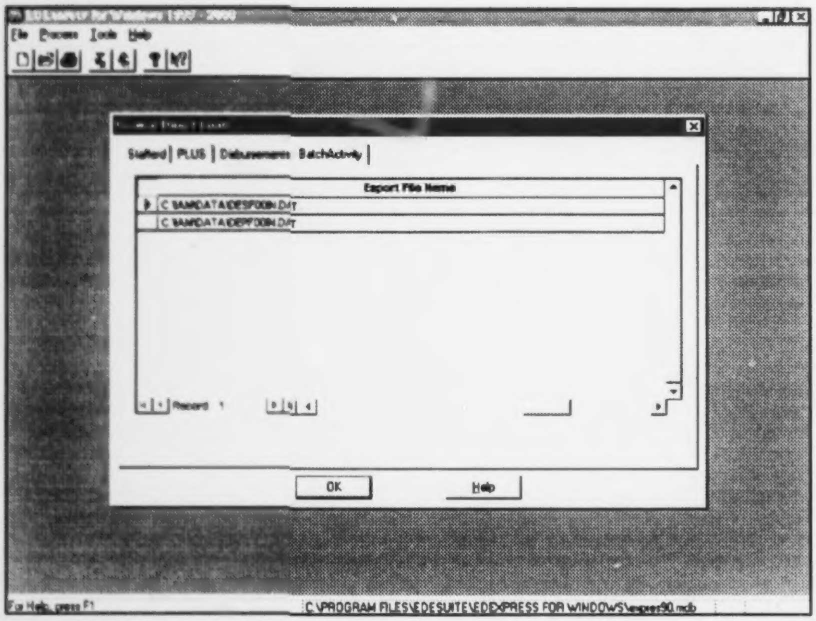
*Select the **Batch Activity** tab.*

The batches are displayed. Use the scroll bar to view all the data.

For each batch imported, the number of accepted, rejected and pending records in the batch will be displayed. If records are pending, they will be included in a subsequent batch of the same type but with a new system generated batch ID.


File
Process
Tools
Help
Stafford
PLUS
Disbursement
BatchActivity
Record: 1
OK
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expwr90.mdb

Batch Number	School Code	Batch Size	Accepted Records
[illegible]	[illegible]	8	0
[illegible]	[illegible]	3	0


File
Process
Tools
Help
Stafford
PLUS
Disbursements
BatchActivity
Export File Name
Record 1
OK
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

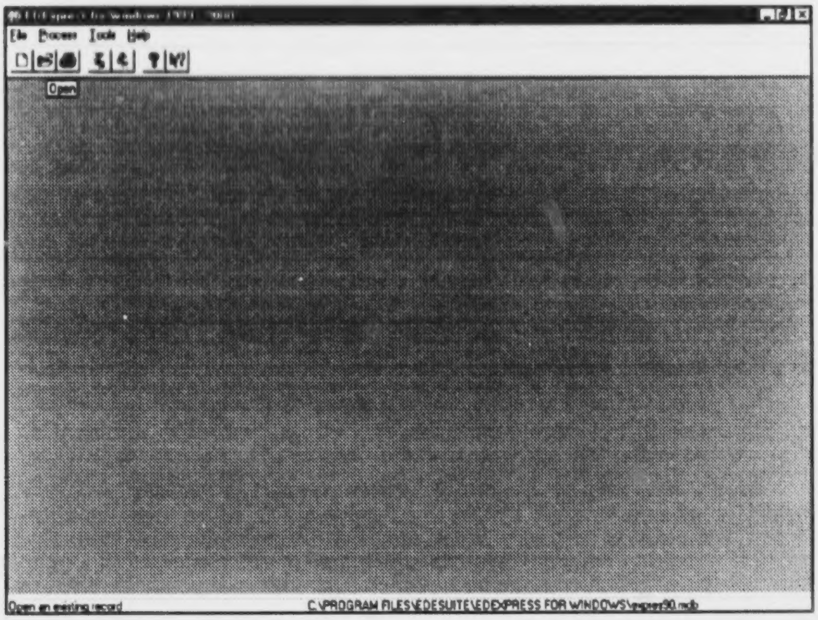
Click ***OK*** *to close.*

Reviewing the Loan Record

Each time a record is included in an export, information about the batch is stored on the record. Also, the status codes are updated.

*Select **File/Open** or click the Open button.*

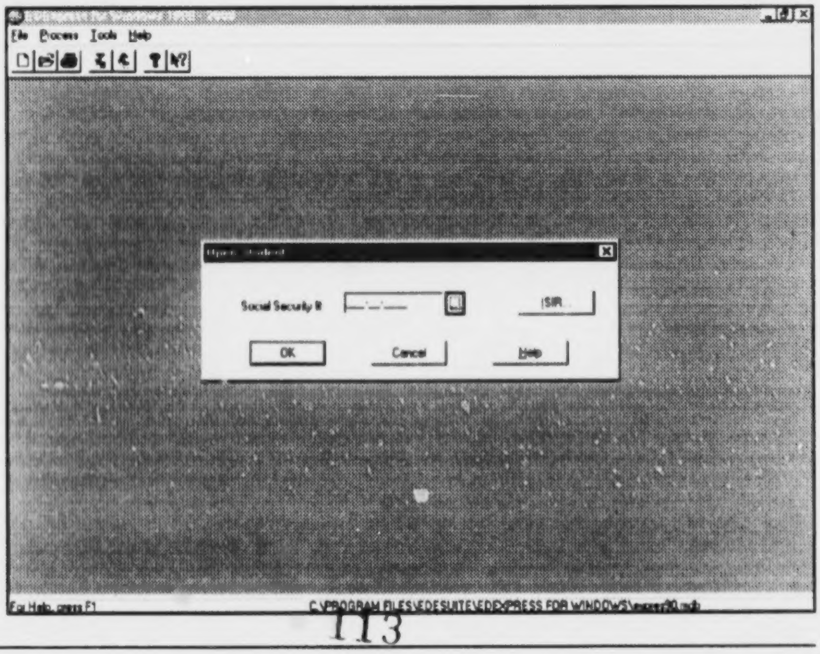
Click the ellipsis button to display a list of demographic database records.


File
Process
Tools
Help
Open

Open an existing record

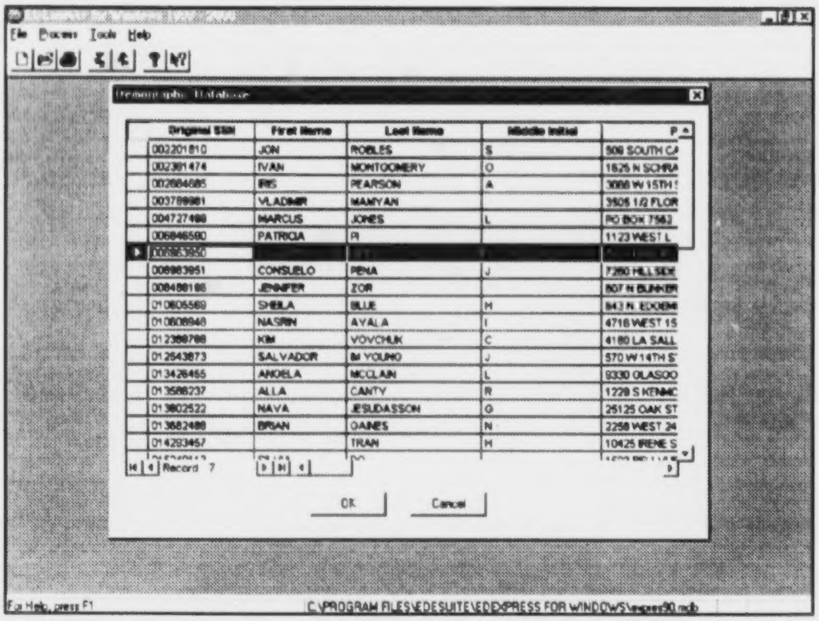
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expwr90.mdb

*Click the **Ellipsis** button to display a list of records.*


File
Process
Tools
Help
Social Security #
ISIR...
OK
Cancel
Help

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expwr90.mdb

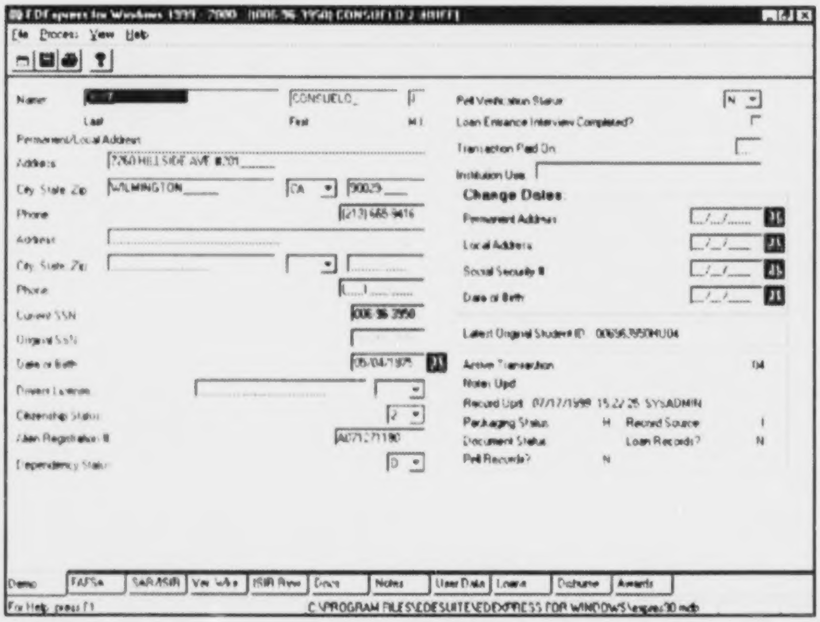


	Original SSN	First Name	Last Name	Middle Initial	P
	002201810	JON	ROBLES	S	508 SOUTH CA
	002381474	IVAN	MONTGOMERY	O	1625 N SCHRA
	002884685	IRIS	PEARSON	A	3088 W 15TH S
	003788981	VLADIMIR	MANYAN		3505 1/2 FLOR
	004727488	MARCUS	JONES	L	PO BOX 7563
	006846590	PATRICIA	PI		1123 WEST L
▶	006963950	[illegible]	[illegible]	[illegible]	[illegible]
	006963951	CONSUELO	PENA	J	7260 HILLSIDE
	008488188	JENNIFER	ZOR		807 N BUNKER
	010805569	SHEILA	BLUE	M	843 N. EDGEM
	010808948	NASRIN	AYALA	I	4718 WEST 15
	012388788	KIM	VOVCHUK	C	4180 LA SALL
	012543873	SALVADOR	M YOUNG	J	570 W 14TH ST
	013428465	ANGELA	MCCLAIN	L	9330 GLASGO
	013588237	ALLA	CANTY	R	1228 S KENMC
	013802522	NAVA	JESUDASSON	G	25125 OAK ST
	013882488	BRIAN	GAINES	N	2258 WEST 24
	014293457		TRAN	M	10425 IRENE S

Record 7

For Help, press F1   C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Select ***Consuelo Huff****.*



EDExpress for Windows 1999 - 2000 - [006-96-3950 CONSUELO J HUFF]

Name: [illegible] (Last) CONSUELO (First) J (M.I.)

Permanent/Local Address

Address: 7260 HILLSIDE AVE #201

City State Zip: WILMINGTON CA 90029

Phone: (213) 685-9416

Address:

City State Zip:

Phone: (   )

Current SSN: 006 96 3950

Original SSN:

Date of Birth: 05/04/1975

Drivers License:

Citizenship Status: 2

Alien Registration #: A071271180

Dependency Status: D

Pell Verification Status: N

Loan Entrance Interview Completed? ☐

Transaction Paid On:

Institution Use:

Change Dates:

Permanent Address: __/__/____

Local Address: __/__/____

Social Security #: __/__/____

Date of Birth: __/__/____

Latest Original Student ID: 006963950HU04

Active Transaction: 04

Notes Upd:

Record Upd: 07/17/1999 15:22:25 SYSADMIN

Packaging Status: H   Record Source: I

Document Status: Loan Records?: N

Pell Records?: N

For Help, press F1   C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click the ***Loans*** *tab.*

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Note the Loan Information panel. The loan status is updated to ***B*** *= Batched.*

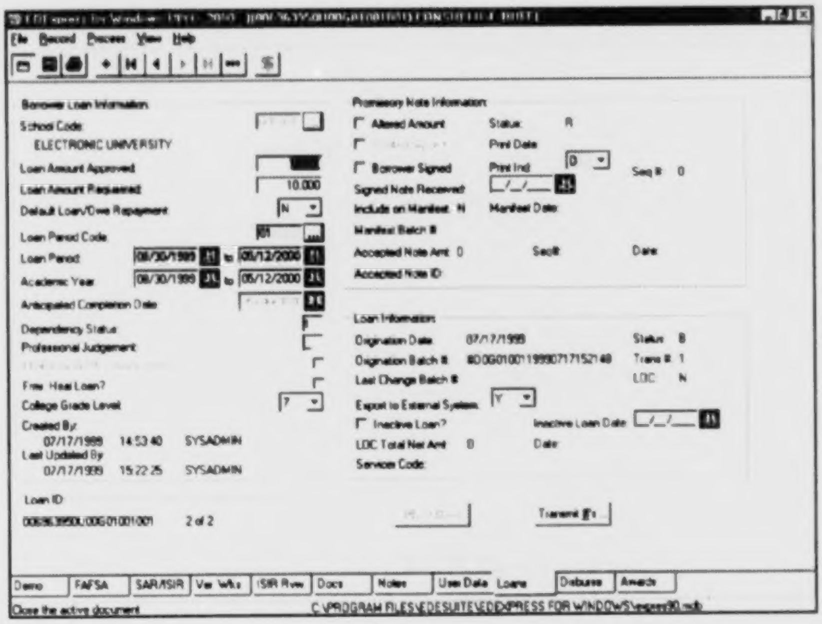
The batch ID is assigned to the record.

The loan transmission number is increased and the LOC indicator changes to ***N****, for no.*

Loan records are always stored in the same order: PLUS, Subsidized and Unsubsidized .

Click the ▶ button to move to the Stafford Loan record.

The ◀ and ▶ buttons allow you to move between the different loan types.



Borrower Loan Information
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved:
Loan Amount Requested: 10,000
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status:
Professional Judgement:
Free Heal Loan?
College Grade Level: 7
Created By:
07/17/1999 14:53:40 SYSADMIN
Last Updated By:
07/17/1999 15:22:25 SYSADMIN
Loan ID:
006963950L00G01001001 2 of 2

Promissory Note Information
☐ Altered Amount Status: R
☐ Print Date
☐ Borrower Signed Print Ind: 0 Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N Manifest Date:
Manifest Batch #:
Accepted Note Amt: 0 Seq#: Date:
Accepted Note ID:

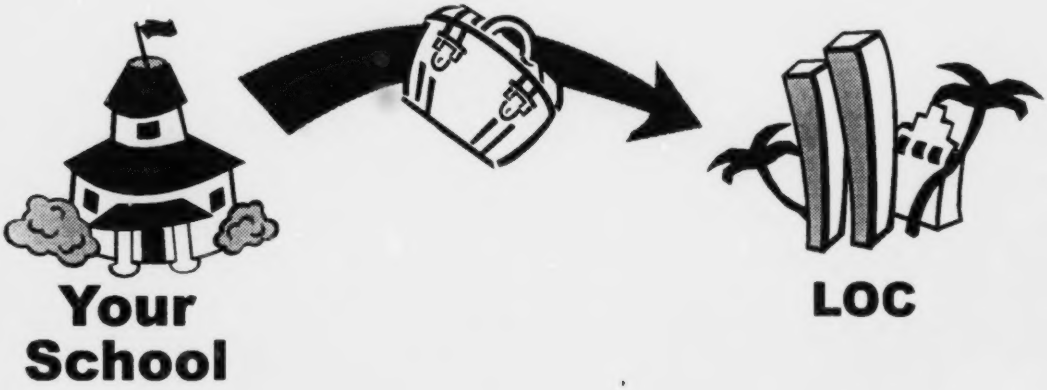
Loan Information
Origination Date: 07/17/1999 Status: B
Origination Batch #: #D0G0100119990717152148 Trans #: 1
Last Change Batch #: LOC: N
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt: 0 Date:
Servicer Code:

Close the active document C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Transmitting Export Batch Files to the LOC

Typically, schools establish a routine for exporting and transmitting records to the LOC. For example, at the end of your processing day, run the Export command for each type of batch (full origination records, change records, promissory note manifests and disbursements). This generates message classes for each export.

The next step is to start EDconnect and use the Transmit command in EDconnect to send the data to the network.



LOC Receipt and Processing of Record

The Loan Origination Center:

- Verifies the loan origination record for completeness and accuracy;
- Edits and validates loan origination data within one business day;
- Resolves problems with rejected origination records; and
- Stores records until the loan is booked or the record is purged.

The LOC picks up the message classes from your mailbox at approximately 8 p.m. EST every business day. The following turnaround times apply:

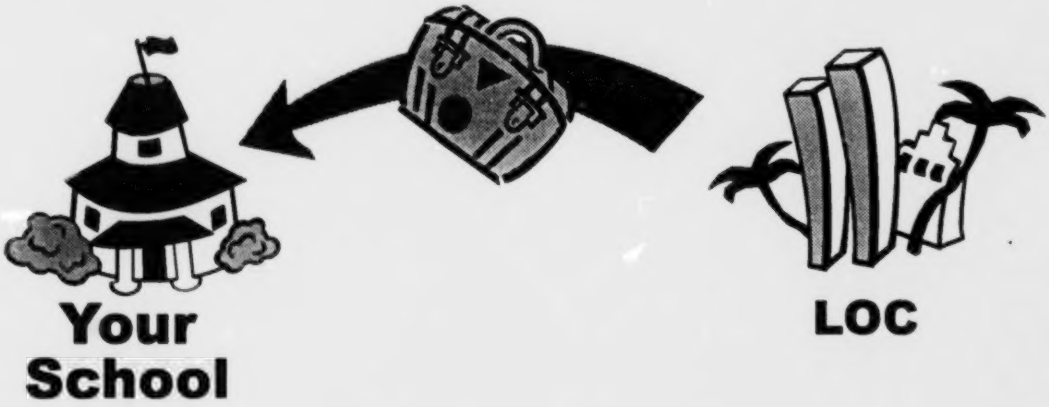
Message Class Type	Turnaround time in number of business days
Stafford	3
PLUS	5
Change Record	1
Promissory Note Manifest	3
Disbursement	1

Typically, schools use EDconnect to transmit a receive request for all Direct Loan data routinely. When you transmit a receive request, any acknowledgements from your mailbox at the LOC is placed into your PC's IAM\DATA directory. The next step is to import the acknowledgement message classes into EDExpress.

Loan Origination Problem Resolution

Some causes for loan origination record rejection are:

- Incomplete demographic information (name, address, alien registration number) for which the school must contact the borrower; or
- Anticipated disbursement inconsistencies (fewer than two, not within loan period, not in date order, or greater than total approved loan amount); or
- Other inconsistent information which the Loan Origination Center must resolve directly with the school.



Importing Acknowledgements in EDExpress

Acknowledgements update your database with LOC decisions. In some cases, you must have an acceptance to continue processing the loan record. In these cases, you must resolve and resubmit rejected data.

You import each available acknowledgement message class you receive into EDExpress with the Import command from the File menu. You must perform an Import for each message class that you wish to import.

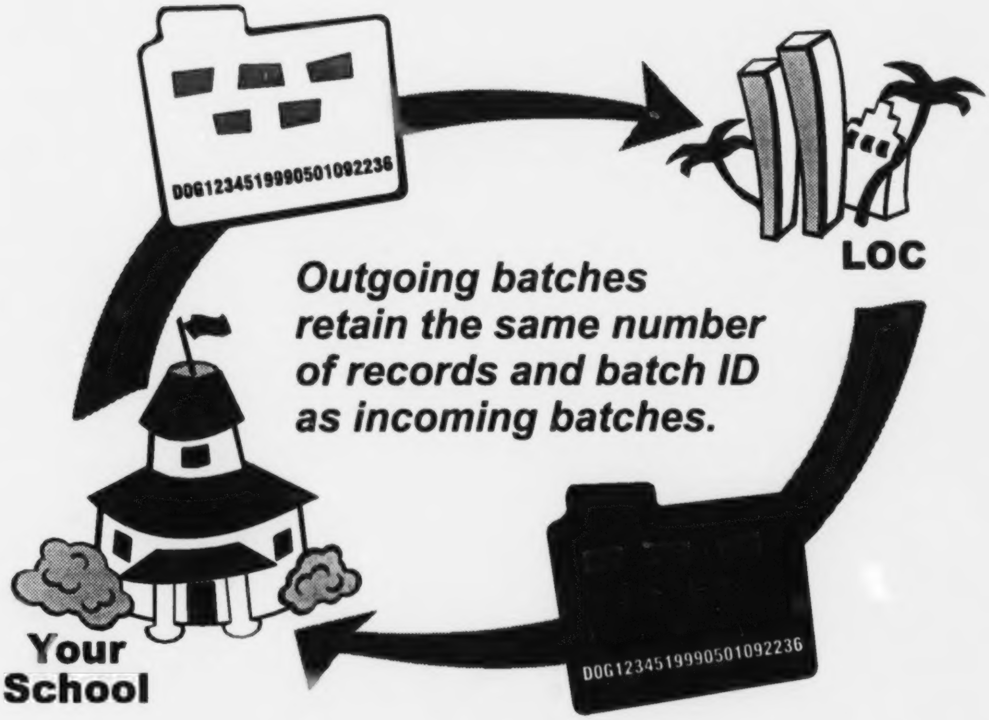
What Happens When You Import

Three important events take place when you run the Import command for an acknowledgement:

1. **Batch Activity Update**—The batch activity database is updated with a confirmation date.
2. **Status Flags**—Each record associated with the acknowledgement is updated to reflect its acceptance **(A)** or rejection **(E)** by the LOC.
3. **Acknowledgement Report**—An acknowledgement report is generated that displays the corresponding batch ID and details any rejections. You should keep these reports to help you track down and resolve any rejects.

Batch Integrity

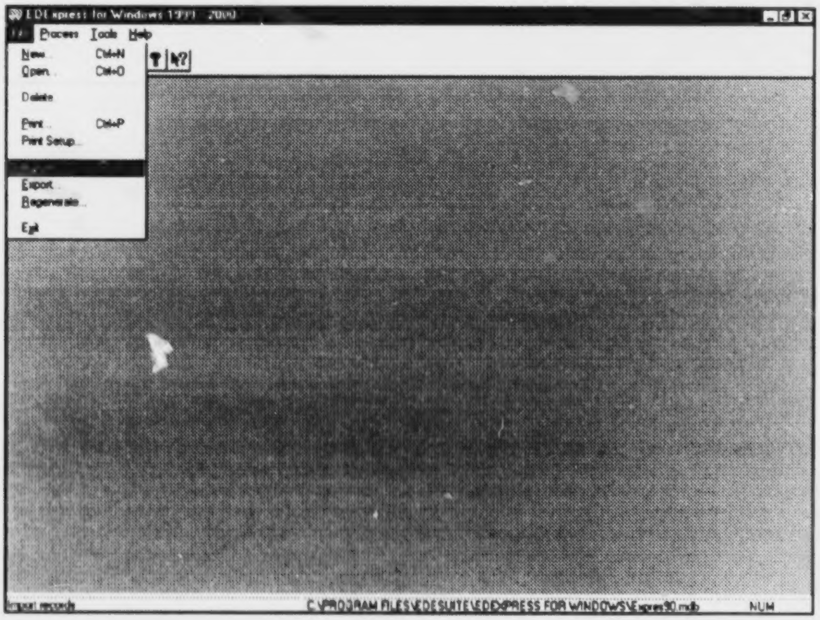
For each batch of records you send to the LOC, you receive one acknowledgement file. This file contains codes that reject or accept the individual records in the batch. For example, if you send ten full origination records to the LOC, you will receive an acknowledgement file that accepts or rejects each of the ten records in the export batch. If you export two batches containing five records each, you must import two acknowledgement files. The LOC's return of information on records in the same batches in which they were received is called *batch integrity*. The LOC always responds to what you send.



Outgoing batches retain the same number of records and batch ID as incoming batches.

Importing Full Origination Acknowledgements

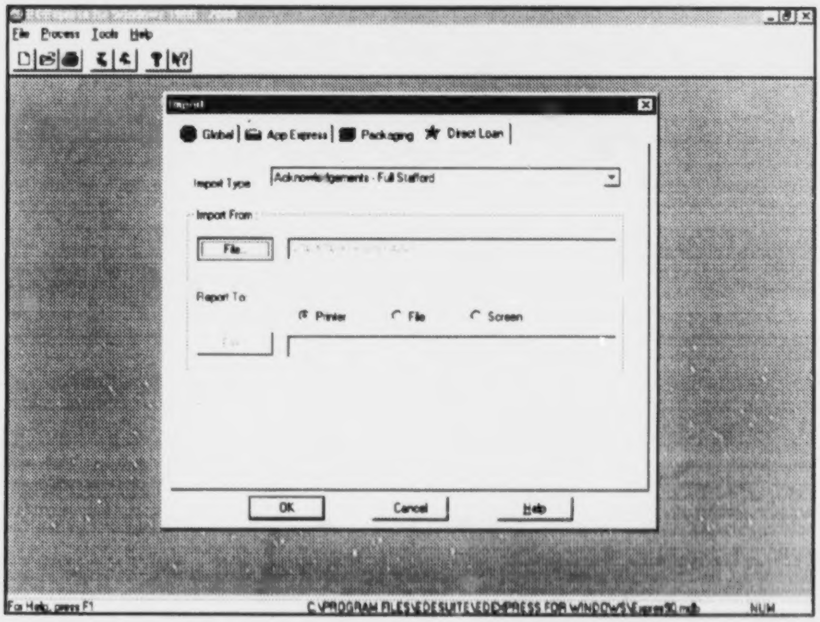
Select ***File/Import*** *from the menu bar.*


EDExpress for Windows 1999 - 2000
File
Process
Tools
Help
New... Ctrl+N
Open... Ctrl+O
Delete
Print... Ctrl+P
Print Setup...
Import...
Export...
Regenerate...
Exit
Import records
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Select the ***Direct Loan*** *tab.*

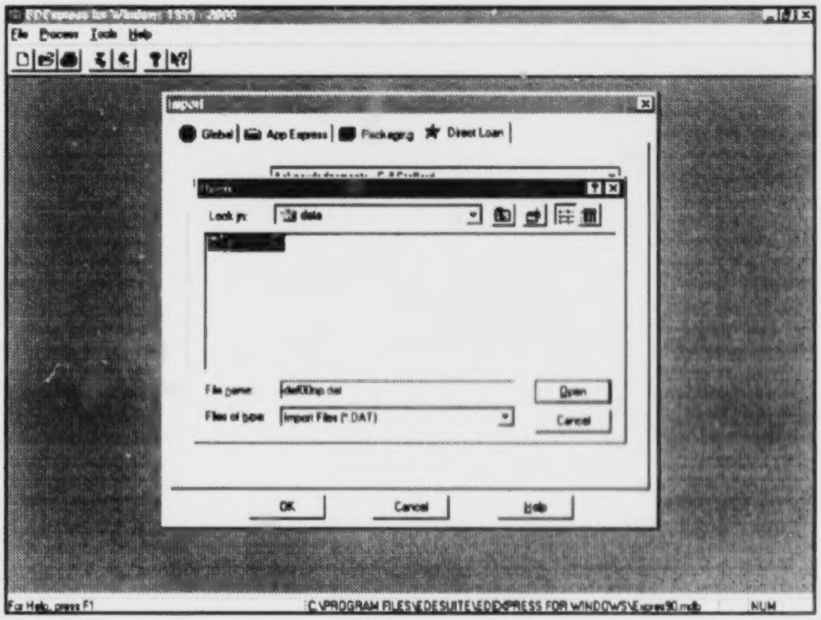
Select as your import type: ***Acknowledgements - Full Stafford****.*

Click the ***Import From File*** *button.*


EDExpress for Windows 1999 - 2000
File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Import From
File...
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Import Type: Acknowledgements - Full Stafford

Report To: ● Printer ○ File ○ Screen


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Open
Cancel
OK
Cancel
Help
NUM

Look in: data

File name: disf00op.dat

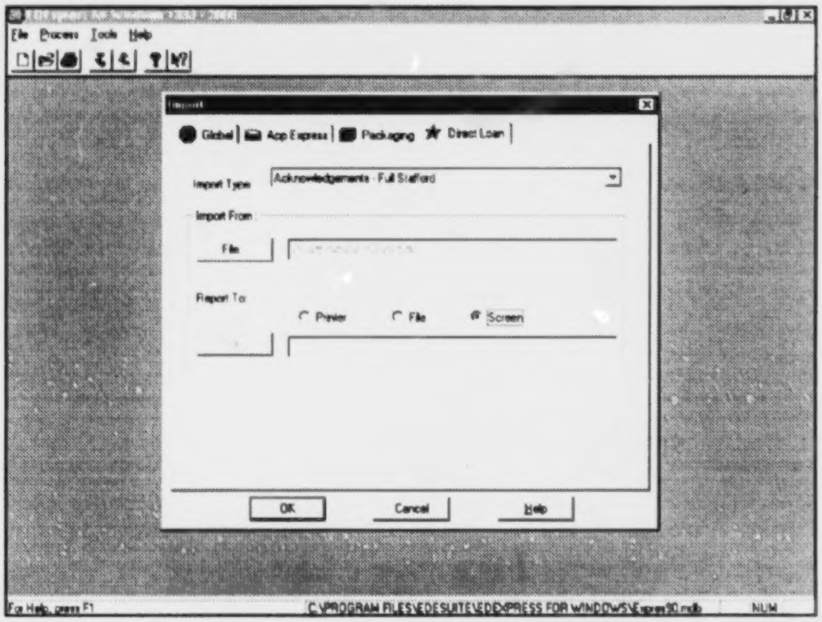
Files of type: Import Files (*.DAT)

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb

Select the import file *DISF00OP.DAT*.

Click ***Open****.*


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
File
OK
Cancel
Help
NUM

Import Type: Acknowledgements - Full Stafford

Import From

Report To: ○ Printer ○ File ● Screen

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb

Click ***Screen*** *to route the edit report to the screen.*

Click ***OK****.*

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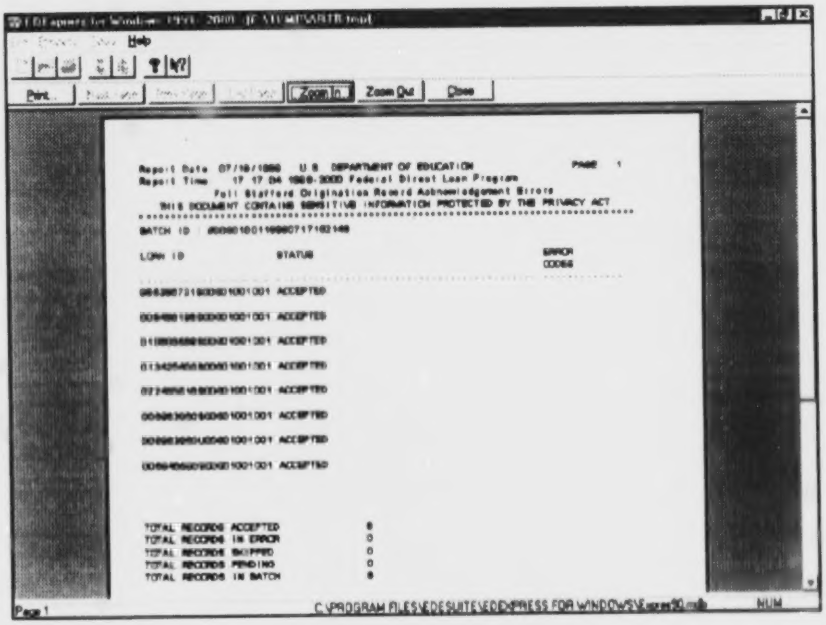
4 Loan Records Part 2

The acknowledgement is imported and the report is displayed.

Note the batch ID at the top of the report. It is recommended you make an entry in the import column of your tracking log.


Help
Print...
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\[illegible]
NUM

```
Report Date  07/19/1998   U.S. DEPARTMENT OF EDUCATION            PAGE   1
Report Time    17 17 04 1999-2000 Federal Direct Loan Program
          Full Stafford Origination Record Acknowledgement Errors
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
.............................................................................
BATCH ID : [illegible]

LOAN ID                    STATUS                                   ERROR
                                                                    CODES
-----------------------------------------------------------------------------
[illegible]  ACCEPTED

[illegible]  ACCEPTED

[illegible]  ACCEPTED

[illegible]  ACCEPTED

[illegible]  ACCEPTED

[illegible]  ACCEPTED

[illegible]  ACCEPTED

[illegible]  ACCEPTED



TOTAL RECORDS ACCEPTED           8
TOTAL RECORDS IN ERROR           0
TOTAL RECORDS SKIPPED            0
TOTAL RECORDS PENDING            0
TOTAL RECORDS IN BATCH           8
```

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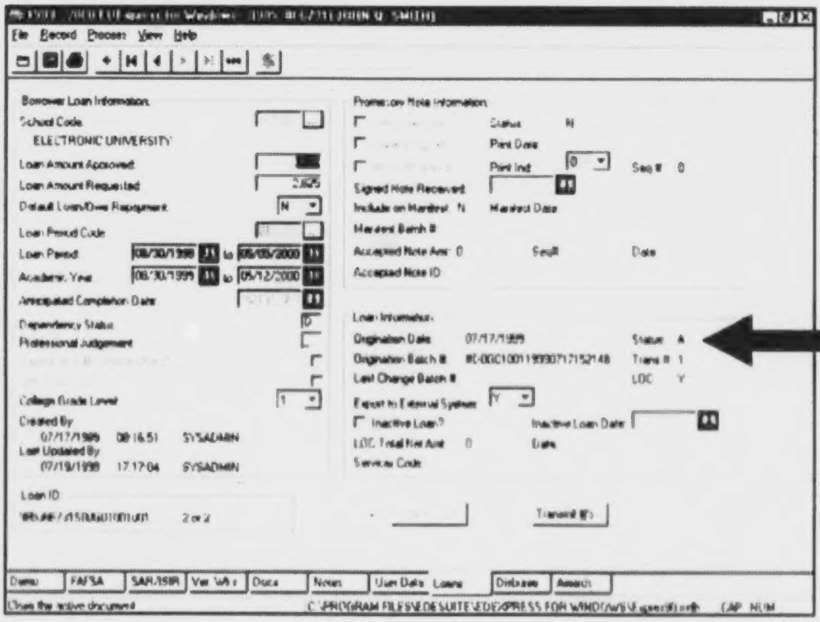
Reviewing Acknowledgement Updates

Review the Record


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver. WS
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit
Close the active document

Borrower Loan Information
School Code
ELECTRONIC UNIVERSITY
Loan Amount Approved
Loan Amount Requested 2,625
Default Loan/Owe Repayment N
Loan Period Code
Loan Period 08/30/1999 to 05/05/2000
Academic Year 08/30/1999 to 05/12/2000
Anticipated Completion Date
Dependency Status D
Professional Judgement
College Grade Level 1
Created By
07/17/1999 08:16:51 SYSADMIN
Last Updated By
07/19/1999 17:17:04 SYSADMIN
Loan ID
[illegible] 2 of 2

Promissory Note Information
Status N
Print Date
Print Ind 0 Seq # 0
Signed Note Received
Include on Manifest N Manifest Date
Manifest Batch #
Accepted Note Amt 0 Seq# Date
Accepted Note ID

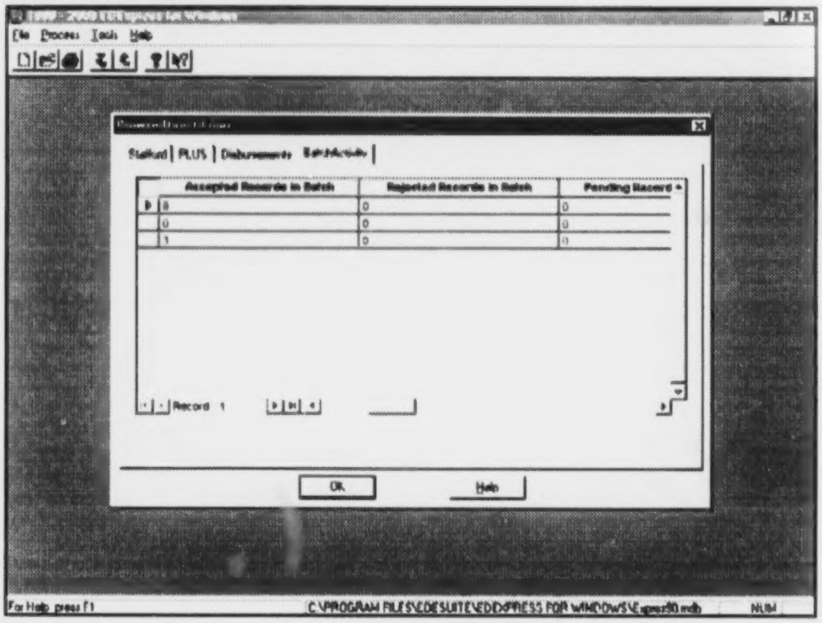
Loan Information
Origination Date 07/17/1999 Status A
Origination Batch # #C-0GC100119990717152148 Trans # 1
Last Change Batch # LOC Y
Export to External System Y
☐ Inactive Loan? Inactive Loan Date
LOC Total Net Amt 0 Date
Servicer Code

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express00.mdb CAP NUM

When you view a loan record included in the batch you are working with, the Loan Origination Status information is updated.

*Status = **A** (accepted).*

Batch Activity Browse


File Process Tools Help
Statford
PLUS
Disbursements
BatchActivity
Record 1
OK
Help
For Help press F1

	Accepted Records in Batch	Rejected Records in Batch	Pending Record
▶	0	0	0
	0	0	0
	1	0	0

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express00.mdb NUM

The acknowledgement updated the batch confirmation date for the origination batch.

NEW!

You can also view the Accepted Records in Batch, Rejected Records in Batch, and Pending Records in Batch.

Managing Credit Decisions

Since adverse credit decisions for PLUS loans can affect the flow of data that you receive for PLUS records, you should develop a procedure for handling the PLUS process at your school. The five steps below outline the procedures in the PLUS credit process and how you might handle the process.

Step 1

After the LOC receives the origination record (which includes information and authorization from the Direct PLUS application/promissory note) from the school, it transmits applicant information to a credit bureau and receives the results, usually within one day.

Step 2

The LOC evaluates the credit report received from the credit bureau to determine if the applicant has an adverse credit history as established by the Direct Loan Program rules. PLUS Loan applicants are rejected if they are 90 or more days delinquent on any debt as of the date of the credit report. Other reasons include:

- Default determination
- Bankruptcy discharge
- Foreclosure
- Repossession
- Tax lien
- Wage garnishment
- Write-off of a debt under Title IV during the five years preceding the date of the credit report

Step 3

Approved parent applicants (and endorser, if applicable) receive the results of the credit check and a Direct PLUS Loan disclosure from the LOC.

- If the applicant is rejected, the LOC notifies the parent applicant (and endorser, if applicable) of the reason for the rejection and the credit bureau that supplied the credit data upon which the rejection is based. An endorser form is also included with this notification.
- The rejected applicant may either submit endorser information to the LOC or demonstrate that extenuating circumstances exist.
- Applicants should immediately notify the school of their intentions.
- Parent applicants may contact the credit bureaus regarding any inaccurate credit information. The LOC will also provide them with the name and telephone number of a service representative that the applicant may contact for further assistance.
- If a rejected applicant elects to reapply with an eligible endorser, the loan process begins again with the applicant and endorser submitting a revised Direct PLUS Loan application/promissory note to the LOC.
- The school is notified by the LOC of the results of the endorser's credit check.

Step 4

The LOC notifies the school of the applicant's credit evaluation within five business days through decision codes in the Direct PLUS Loan origination record. For Direct PLUS Loan applicants who meet ED's criteria, the school continues processing the loan. For PLUS applicants who *do not* meet ED's credit criteria, the school must stop all loan processing for the applicant.

Step 5 (Highly Recommended)

Your institution should establish a policy that defines the length of time you will wait for the results of these appeals and for the updates to the loan records before pursuing the additional Unsubsidized Stafford Loan as an alternative. Otherwise, if the appeal is denied, the borrower may still be working with the LOC to appeal again and find a new endorser. The LOC then might send another update to the school in the Credit Decision message class. This updates the credit decision again and overwrites the Credit Decision Updated date.

This process could go on indefinitely unless your institution sets a limit on how long to wait for the credit decision update. Clearly, for both you and the student, setting this limit is preferable to repeating the process endlessly.

You may not always be aware that a borrower is seeking to overturn a credit decision. As a result, you could receive the decision update at any time. If you process PLUS records, you should look for the credit decision update message class routinely.

The policy you develop should cover the following issues:

- Determining whether the parent borrower is seeking an endorser or whether the parent borrower wishes to cancel the Direct PLUS Loan.
- Communicating the fact that if the parent borrower is not eligible to borrow under the Direct PLUS Program due to adverse credit history, the student may borrow additional funds under the Direct Unsubsidized Loan Program.
- Devising a method of cancelling a loan if the parent borrower chooses not to pursue the Direct PLUS Loan before the school processes a Direct Unsubsidized Loan.
- Finally, as with the FFEL Program, determining that the student's parents are likely to be precluded from borrowing under the Direct PLUS Loan Program by exceptional circumstances. In these cases, the student can borrow through the Direct Unsubsidized Loan Program. For those unsubsidized loans that you create, you need to set the Eligible For Unsubsidized flag.

Codes for Credit Decisions

A = Accepted

N = Denied

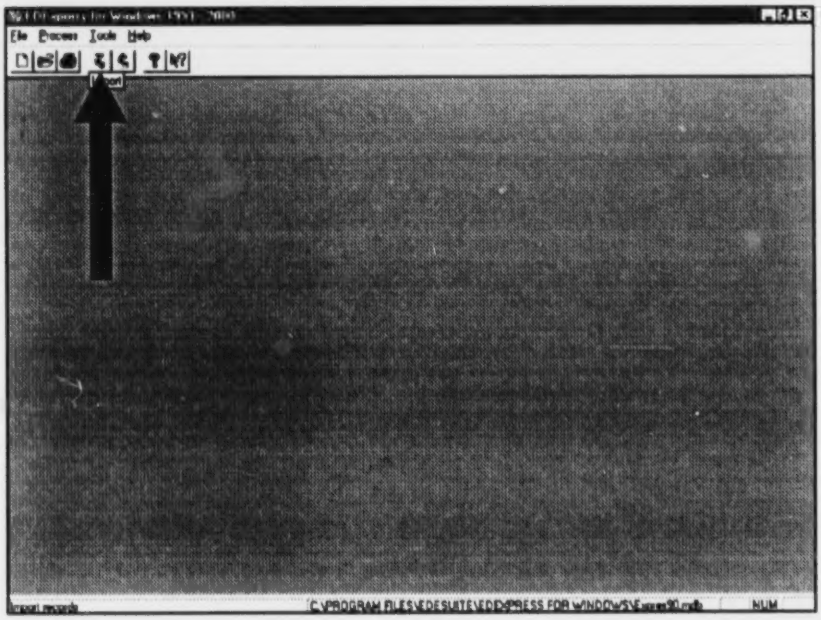
C = Credit Overridden

E = Credit Overridden, Endorser OK

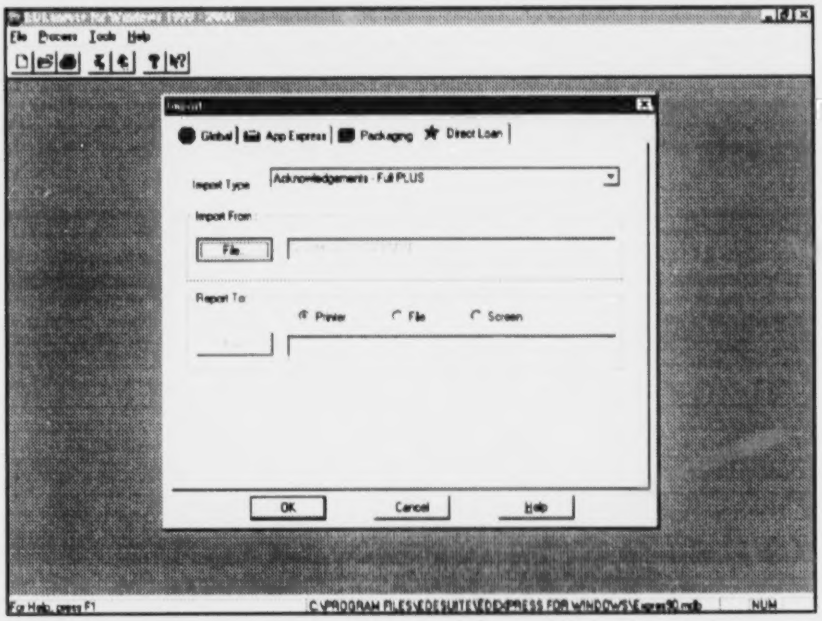
D = Credit Denied, Endorser Not OK

X = Pending

Importing PLUS Full Origination Acknowledgements


EDExpress for Windows 1999 - 2000
File Process Tools Help
Import
Import records
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre90.mdb
NUM

*Select **File/Import** from the menu bar or click the* ⤓ *button.*


EDExpress for Windows 1999 - 2000
File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
File...
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre90.mdb
NUM

Import Type: Acknowledgements - Full PLUS

Import From:

Report To: ● Printer ○ File ○ Screen

*Select the **Direct Loan** tab.*

*Select as the Import Type: **Acknowledgements - Full PLUS**.*

*Click the **Import From: File...** button.*

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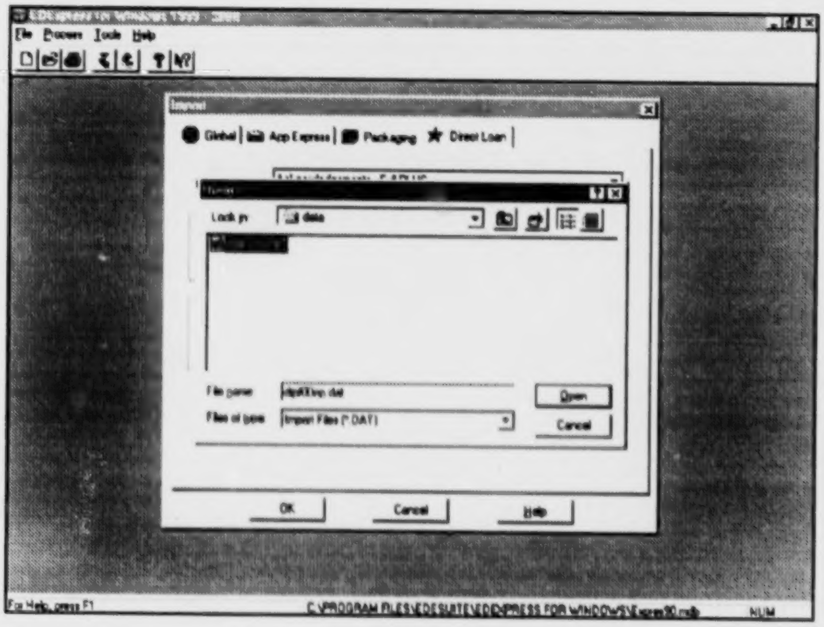
Select the file DIPF000P.DAT.

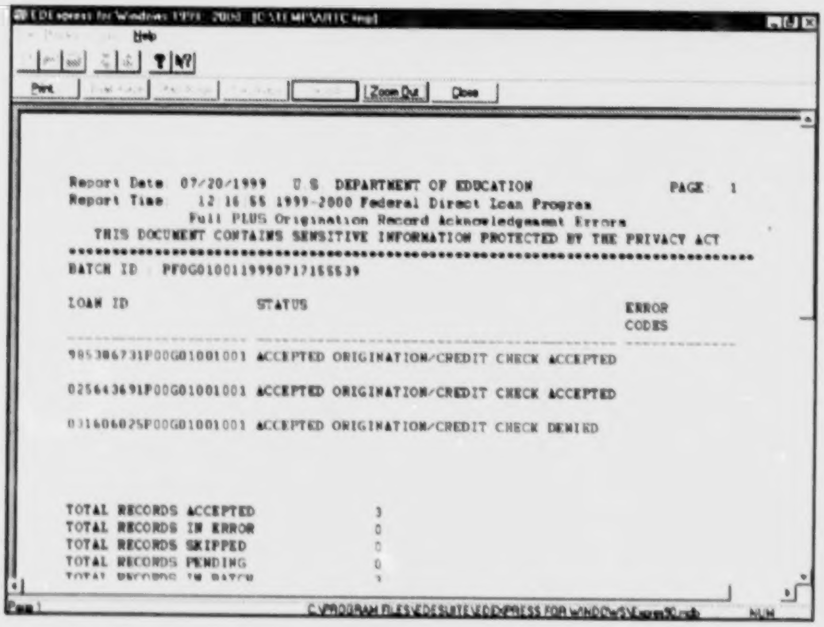
Click ***Open***


File
Process
Tools
Help
Global
App Express
Packaging
Direct Loan
Look in:
data
File name:
Files of type:
Open
Cancel
OK
Cancel
Help
For Help, press F1
NUM

File name: dipf000p.dat

Files of type: Import Files (*.DAT)

The import edit report indicates three PLUS origination records have been accepted, but the credit check has been denied for one applicant.


Help
Print
Zoom Out
Close
NUM

```
Report Date  07/20/1999   U.S. DEPARTMENT OF EDUCATION             PAGE:  1
Report Time    12:16:55 1999-2000 Federal Direct Loan Program
               Full PLUS Origination Record Acknowledgement Errors
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
******************************************************************************
BATCH ID : PF0G01001199907171555 39

LOAN ID                STATUS                                          ERROR
                                                                       CODES
---------------------- ----------------------------------------------- ---------
985306731P00G01001001 ACCEPTED ORIGINATION/CREDIT CHECK ACCEPTED

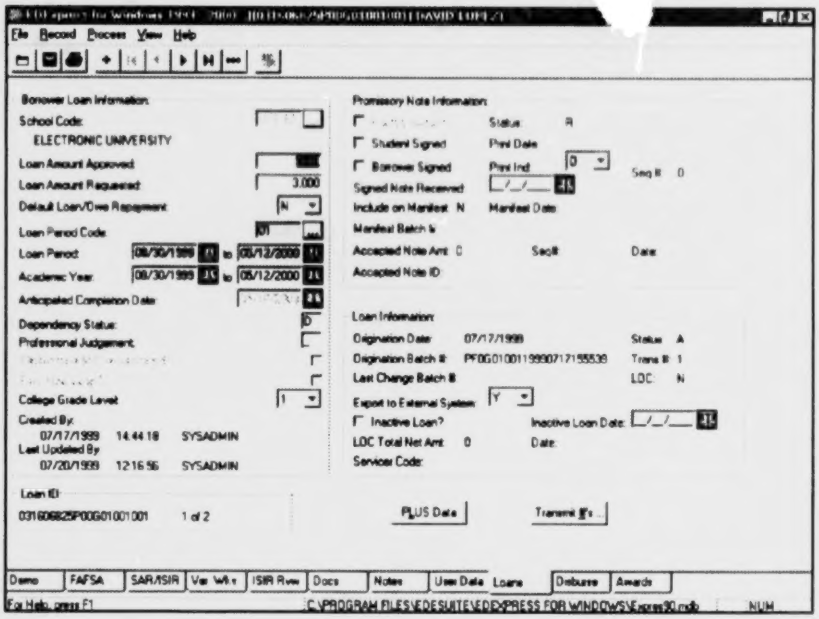
025643691P00G01001001 ACCEPTED ORIGINATION/CREDIT CHECK ACCEPTED

031606025P00G01001001 ACCEPTED ORIGINATION/CREDIT CHECK DENIED



TOTAL RECORDS ACCEPTED              3
TOTAL RECORDS IN ERROR              0
TOTAL RECORDS SKIPPED               0
TOTAL RECORDS PENDING               0
TOTAL RECORDS IN BATCH              3
```

Reviewing the PLUS Record



Borrower Loan Information:
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved: [illegible]
Loan Amount Requested: 3,000
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status: D
Professional Judgement: ☐
College Grade Level: 1
Created By: 07/17/1999 14:44:18 SYSADMIN
Last Updated By: 07/20/1999 12:16:56 SYSADMIN
Loan ID: 031606825P00G01001001 1 of 2

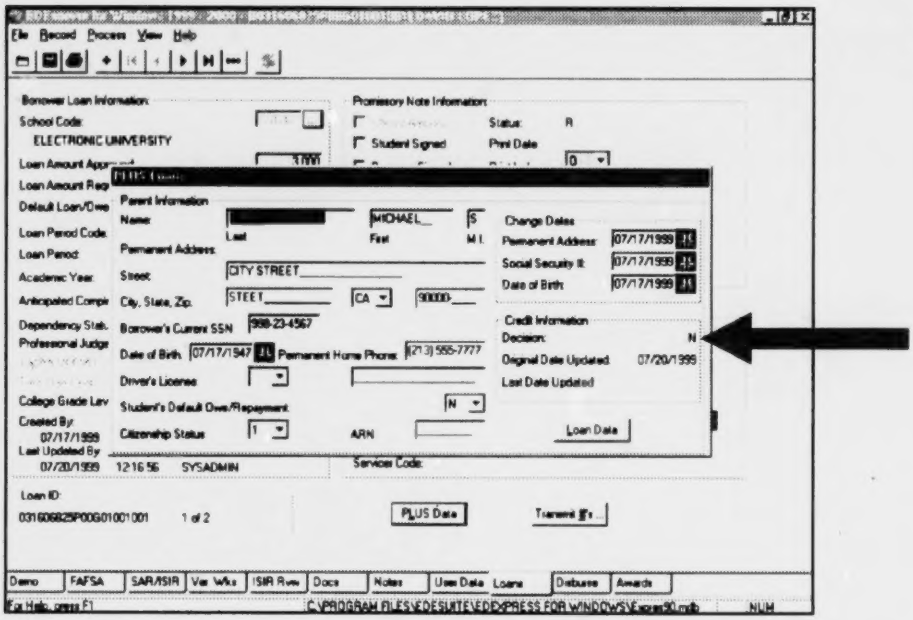
Promissory Note Information:
Status: R
☐ Student Signed
Print Date
☐ Borrower Signed
Print Ind: 0
Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N
Manifest Date
Manifest Batch #:
Accepted Note Amt: 0
Seq#
Date
Accepted Note ID

Loan Information:
Origination Date: 07/17/1999
Status: A
Origination Batch #: PF0G0100119990717155538
Trans #: 1
Last Change Batch #
LOC: N
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt: 0
Date:
Servicer Code:

File Record Process View Help
PLUS Data
Transmit IFs...
Demo FAFSA SAR/ISIR Ver Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

The PLUS origination record has been accepted just as the Stafford records were.

*Click the **PLUS Data** button.*



PLUS Loans
Parent Information
Name: [redacted] MICHAEL S
Last First M.I.
Permanent Address:
Street: CITY STREET
City, State, Zip: STEET CA 90000-
Borrower's Current SSN: 998-23-4567
Date of Birth: 07/17/1947
Permanent Home Phone: (213) 555-7777
Driver's License:
Student's Default Owe/Repayment: N
Citizenship Status: 1
ARN

Change Dates
Permanent Address: 07/17/1999
Social Security #: 07/17/1999
Date of Birth: 07/17/1999

Credit Information
Decision: N
Original Date Updated: 07/20/1999
Last Date Updated

Last Updated By: 07/20/1999 12:16:56 SYSADMIN
Loan ID: 031606825P00G01001001 1 of 2

Loan Data
PLUS Data
Transmit IFs...
Demo FAFSA SAR/ISIR Ver Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

However, the credit decision returned as denied.

Importing PLUS Credit Decision Updates

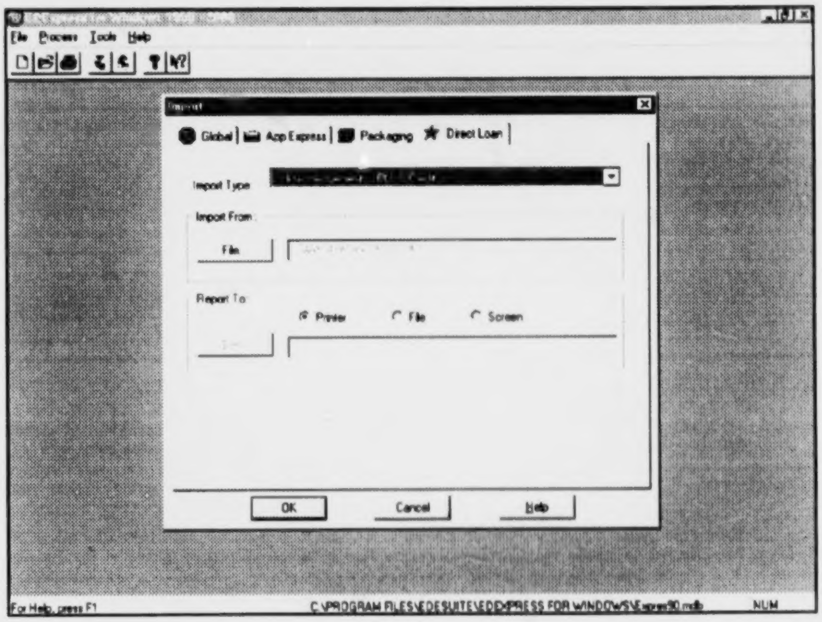
Assume that the borrower in question, Michael Lopez, contacted the LOC and was able to have the credit decision changed. You would then receive a credit decision update batch from the LOC.

*Select **File/Import** from the menu bar or click the* ⇩ *button.*

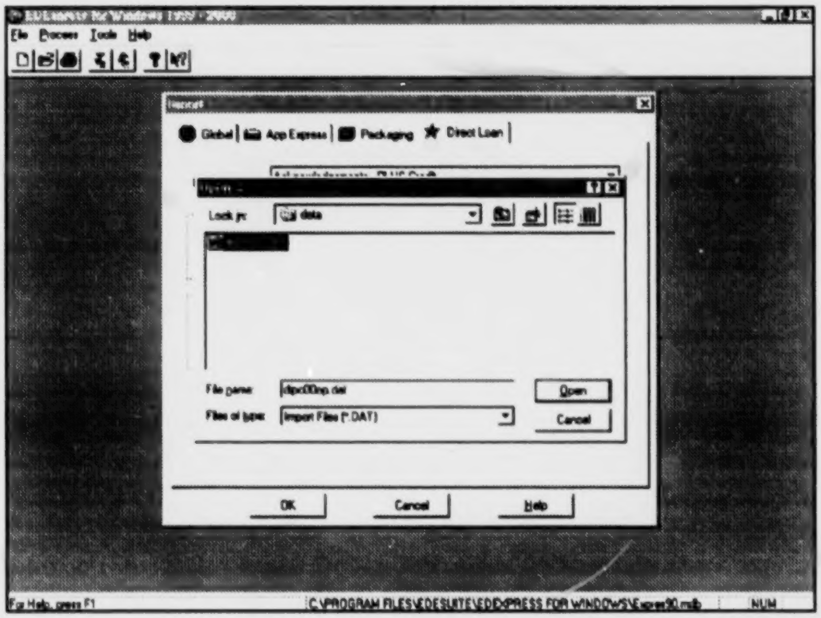
*Select the **Direct Loan** tab.*

*Select as the Import Type: **Acknowledgements - PLUS Credit**.*

*Click the **Import From: File...** button.*


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Import Type
Import From:
File
Report To:
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb
NUM

Report To: ● Printer ○ File ○ Screen

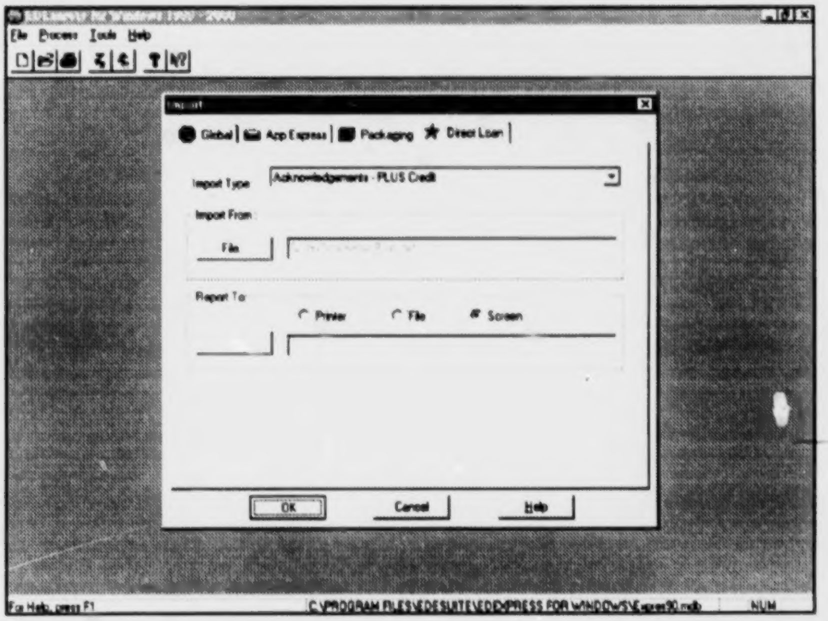

EDExpress for Windows 1999 - 2000
File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Open
Look in:
data
Open
Cancel
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

File name: dipc00op.dat

Files of type: Import Files (*.DAT)

Select the file ***DIPC00OP.DAT.***

Click ***Open****.*


EDExpress for Windows 1999 - 2000
File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Import From:
File
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Import Type: Acknowledgements - PLUS Credit

Report To: ○ Printer ○ File ● Screen

Click ***Screen****.*

Click ***OK****.*

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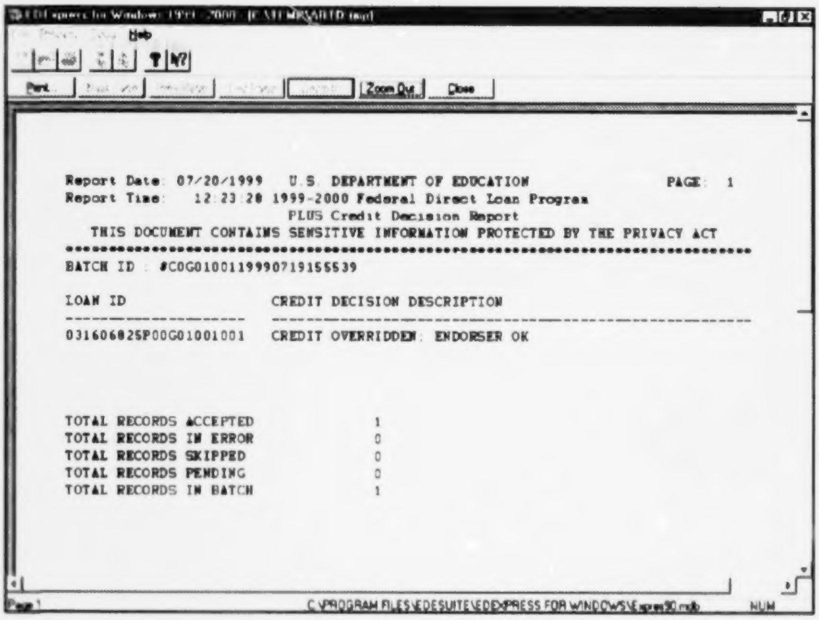
The import edit list indicates that a credit decision has been overridden for the borrower.


Help
Print...
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

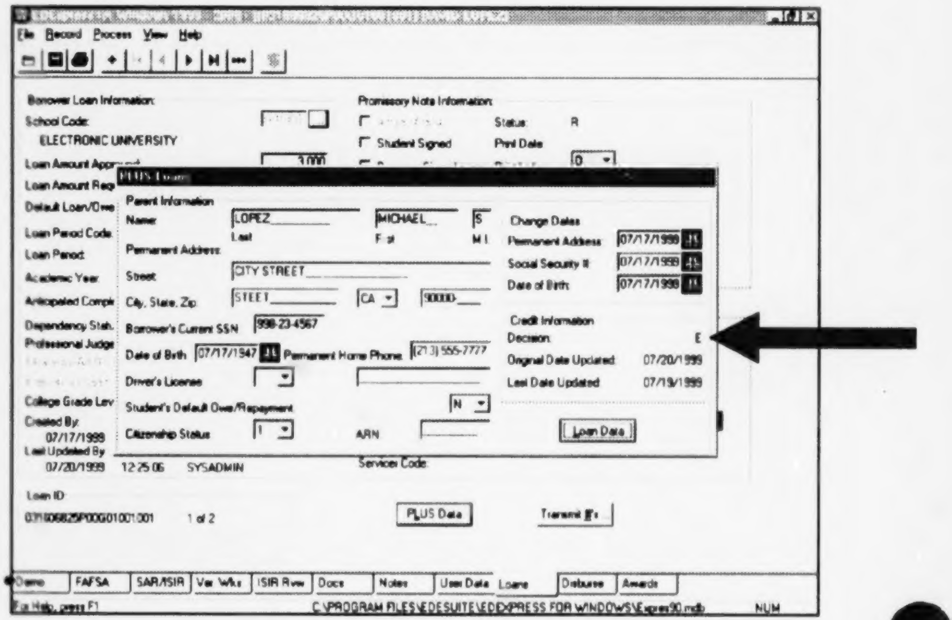
```
Report Date: 07/20/1999   U.S. DEPARTMENT OF EDUCATION              PAGE:  1
Report Time:    12:23:28 1999-2000 Federal Direct Loan Program
                          PLUS Credit Decision Report
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************
BATCH ID : #C0G01001199907191555539

LOAN ID                 CREDIT DECISION DESCRIPTION
--------------------    ----------------------------------------------------
031606825P00G01001001   CREDIT OVERRIDDEN: ENDORSER OK




TOTAL RECORDS ACCEPTED             1
TOTAL RECORDS IN ERROR             0
TOTAL RECORDS SKIPPED              0
TOTAL RECORDS PENDING              0
TOTAL RECORDS IN BATCH             1
```

In the loan record, the new credit decision is E (endorser OK).


File Record Process View Help
Borrower Loan Information:
Promissory Note Information:
Loan Amount Approved
Loan Amount Req
Default Loan/Owe
Loan Period Code
Loan Period
Academic Year
Anticipated Compl
Dependency Stat.
Professional Judge
College Grade Lev
Service Code
PLUS Loan
Parent Information
Permanent Address
Change Dates
Credit Information
Loan Data
PLUS Data
Transmit IDs
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

School Code: ELECTRONIC UNIVERSITY

Loan Amount Approved: 3,000

☐ Student Signed

Status: R

Print Date

Name: LOPEZ (Last) MICHAEL (First) S (M.I.)

Street: CITY STREET

City, State, Zip: STEET CA 90000

Borrower's Current SSN: 998-23-4567

Date of Birth: 07/17/1947

Permanent Home Phone: (213) 555-7777

Driver's License:

Student's Default Owe/Repayment: N

Citizenship Status: 1

ARN:

Permanent Address: 07/17/1999

Social Security #: 07/17/1999

Date of Birth: 07/17/1999

Decision: E

Original Date Updated: 07/20/1999

Last Date Updated: 07/19/1999

Created By: 07/17/1999

Last Updated By: 07/20/1999 12:25:06 SYSADMIN

Loan ID: 031606825P00G01001001 1 of 2

NEW!

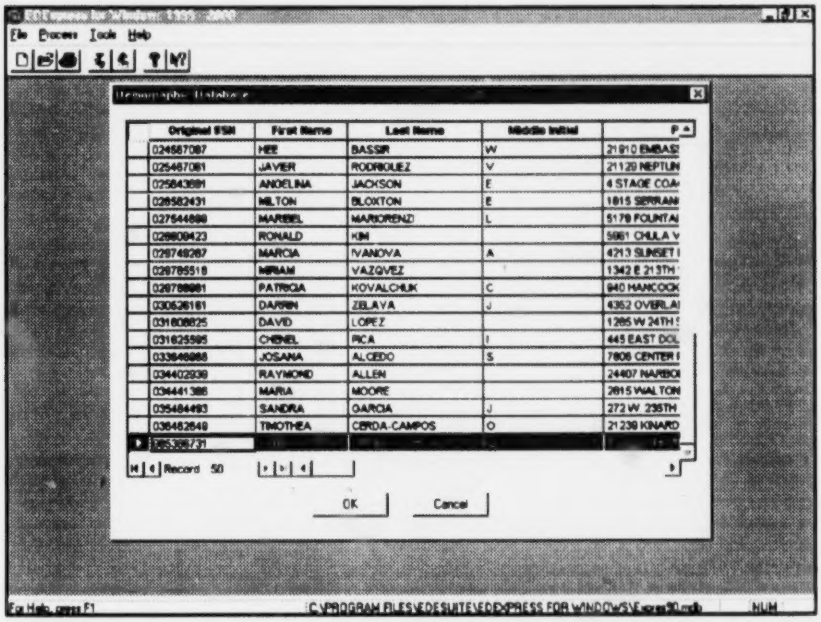
Adjusting a Loan to $0 - Inactive Loans

Adjusting the loan and anticipated disbursement amounts to $0 has replaced the loan cancellation process. Once a loan amount and all disbursements have been adjusted to $0, the loan is considered inactive. Making a loan inactive allows a school the opportunity to reactivate the loan at a future date. Change records adjusting the loan to $0 must be exported to the LOC. This process applies to Stafford as well as PLUS loans.

Saving the adjustment to $0 for the Loan Amount Approved and anticipated disbursements creates a change record if the origination record has previously been batched and sent to the LOC. If not, the adjustments are sent with the full origination record. When the LOC receives your change batch, the entire loan becomes inactive on the LOC's system.

Inactive loans do not appear on the 30-day warning report, but will appear on the Inactive Loans Report from the LOC. This report is sent in an ED defined message class (ED0600OP) that must be added to your Global setup. The report includes for each borrower the loan type, borrower ID, and inactive date.

For information on adjusting actual disbursements to $0, see Chapter 7.



Original SSN	First Name	Last Name	Middle Initial	P
024587087	HEE	BASSIR	W	21810 EMBAS
025467081	JAVIER	RODRIGUEZ	V	21120 NEPTUN
025843881	ANGELINA	JACKSON	E	4 STAGE COA
026582431	MILTON	BLOXTON	E	1815 SERRAN
027544888	MARIBEL	MARIORENZI	L	5178 FOUNTA
028809423	RONALD	KIM		5861 CHULA V
028748267	MARCIA	IVANOVA	A	4213 SUNSET
028785518	MIRIAM	VAZQUEZ		1342 E 213TH
028788881	PATRICIA	KOVALCHUK	C	840 HANCOCK
030526161	DARRIN	ZELAYA	J	4352 OVERLA
031808825	DAVID	LOPEZ		1285 W 24TH
031825595	CHENEL	RICA	I	445 EAST DOL
033848888	JOSANA	ALCEDO	S	7808 CENTER
034402939	RAYMOND	ALLEN		24407 NARBO
034441386	MARIA	MOORE		2815 WALTON
035484493	SANDRA	GARCIA	J	272 W 235TH
036482649	TIMOTHEA	CERDA-CAMPOS	O	21238 KINARD
035386731				

Record 50

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb NUM

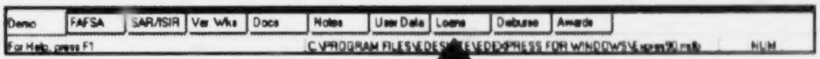
Click the button to open the student's record.

Click the ... button for a list of students.

*Select **John Smith**.*

*Click **OK**.*

*Click **OK** again to open the record.*



For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb NUM

*Click the **Loans** tab.*

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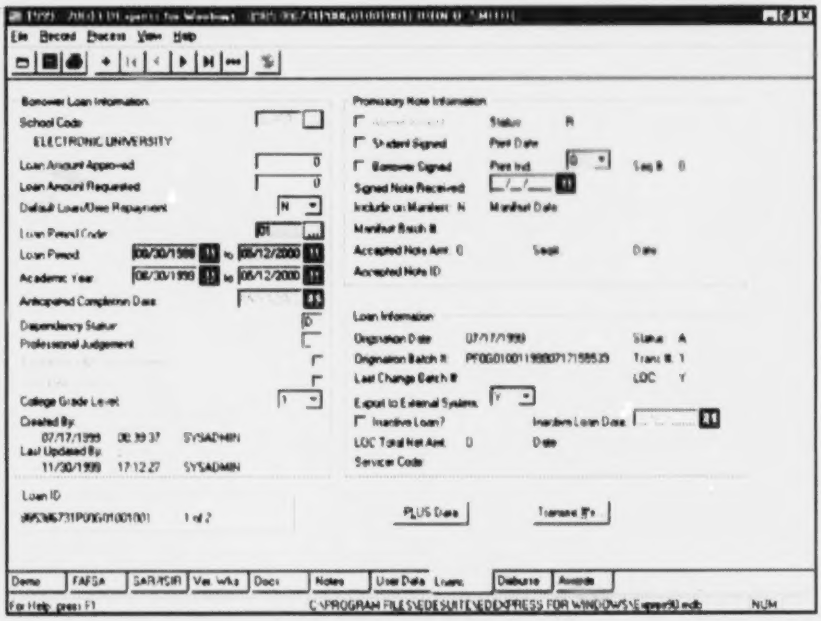
134

*Enter **0** for the Loan Amount Approved and **0** for the Loan Amount Requested.*

*Click the **Disburse** tab.*


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver. Wks
Docs
Notes
User Data
Loans
Disburse
Awards
PLUS Data
Transmit #'s

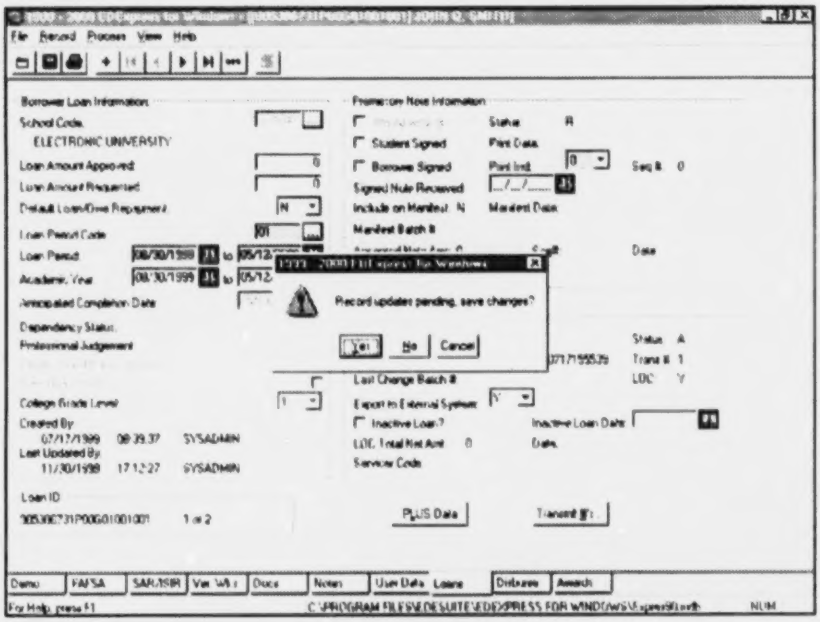
Borrower Loan Information
School Code
ELECTRONIC UNIVERSITY
Loan Amount Approved 0
Loan Amount Requested 0
Default Loan/Over Repayment N
Loan Period Code 01
Loan Period 08/30/1999 to 05/12/2000
Academic Year 08/30/1999 to 05/12/2000
Anticipated Completion Date
Dependency Status D
Professional Judgement
College Grade Level 1
Created By: 07/17/1999 08:39:37 SYSADMIN
Last Updated By: 11/30/1999 17:12:27 SYSADMIN
Loan ID 005386731P00G01001001 1 of 2

Promissory Note Information
Status R
☐ Student Signed Print Date
☐ Borrower Signed Print Ind 0 Seq # 0
Signed Note Received __/__/____
Include on Manifest N Manifest Date
Manifest Batch #
Accepted Note Amt 0 Seq# Date
Accepted Note ID

Loan Information
Origination Date 07/17/1999 Status A
Origination Batch # PF0G01001199907171585539 Trans # 1
Last Change Batch # LOC Y
Export to External System Y
☐ Inactive Loan? Inactive Loan Date
LOC Total Net Amt 0 Date
Servicer Code

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb NUM

*Click **Yes** to continue.*


File Record Process View Help
Yes
No
Cancel
Demo
FAFSA
SAR/ISIR
Ver. Wks
Docs
Notes
User Data
Loans
Disburse
Awards
PLUS Data
Transmit #'s

Record updates pending, save changes?

Borrower Loan Information
School Code
ELECTRONIC UNIVERSITY
Loan Amount Approved 0
Loan Amount Requested 0
Default Loan/Over Repayment N
Loan Period Code 01
Loan Period 08/30/1999 to 05/12
Academic Year 08/30/1999 to 05/12
College Grade Level 1
Created By 07/17/1999 08:39:37 SYSADMIN
Last Updated By 11/30/1999 17:12:27 SYSADMIN
Loan ID 005386731P00G01001001 1 of 2

Promissory Note Information
Status R
☐ Student Signed Print Date
☐ Borrower Signed Print Ind 0 Seq # 0
Signed Note Received __/__/____
Include on Manifest N Manifest Date
Manifest Batch #
Status A
Trans # 1
LOC Y
Last Change Batch #
Export to External System Y
☐ Inactive Loan? Inactive Loan Date
LOC Total Net Amt 0 Date
Servicer Code

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb NUM

Note:

☛ *Any record that has been inactivated by reducing the loan amount to $0 will not be included in the 30-day warning report sent by the LOC.*

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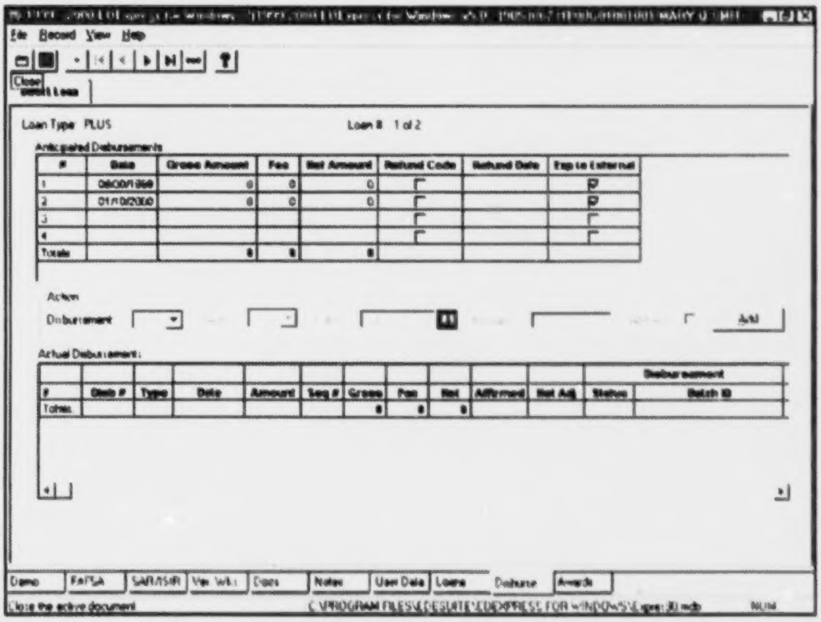

File Record View Help
Close
Direct Loan
Demo
FAFSA
SAR/ISIR
Ver. Wks
Docs
Notes
User Data
Loans
Disburse
Awards
Add
Close the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Edexpress.mdb
NUM

Loan Type: PLUS

Loan # 1 of 2

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	0	0	0	☐		☑
2	01/10/2000	0	0	0	☐		☑
3					☐		☐
4					☐		☐
Totals		0	0	0			

Action

Disbursement

Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
Totals						0	0	0				

The Disburse tab shows the reduction to zero.

*Click the **Close** button.*

Steps for Adjusting a Loan to $0

1. Change the Loan Amount Approved and the Loan Amount Requested to $0.
2. Save the record.
3. Verify that the Anticipated Disbursements are also $0.
4. Export changes.

Change Records

Changes are updates to loan records after the full origination has been exported (loan origination status = **B** or **A**). Changes must be exported to the LOC. As with full origination records, changes are sent to the LOC with the Export command.

EDExpress tracks changes to demographic data, loan amounts, anticipated disbursement dates, and inactivations. EDExpress generates a smaller record containing the changes in place of sending the entire loan record again.

Change records result from your daily processing. You should run the Export command for changes routinely. As with any export, EDExpress batches all pending changes into a file and assigns a batch ID and message class name. You should format and transmit change message classes when you transmit your other Direct Loan data.

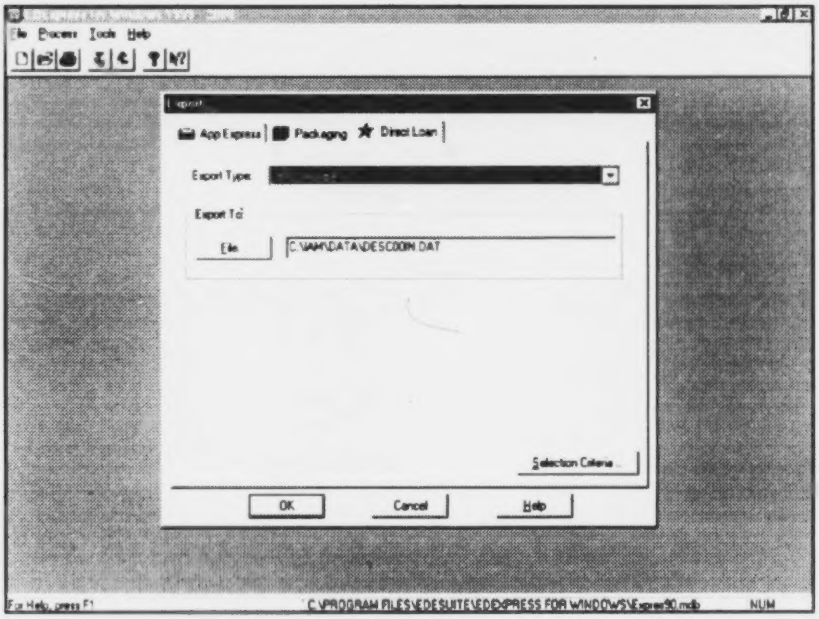
Change records do not have status flags, but the batch ID of the last change to be exported for the record is recorded in the Loan Information area.

*Select **File/Export** from the menu.*

*Select the **Direct Loan** tab.*

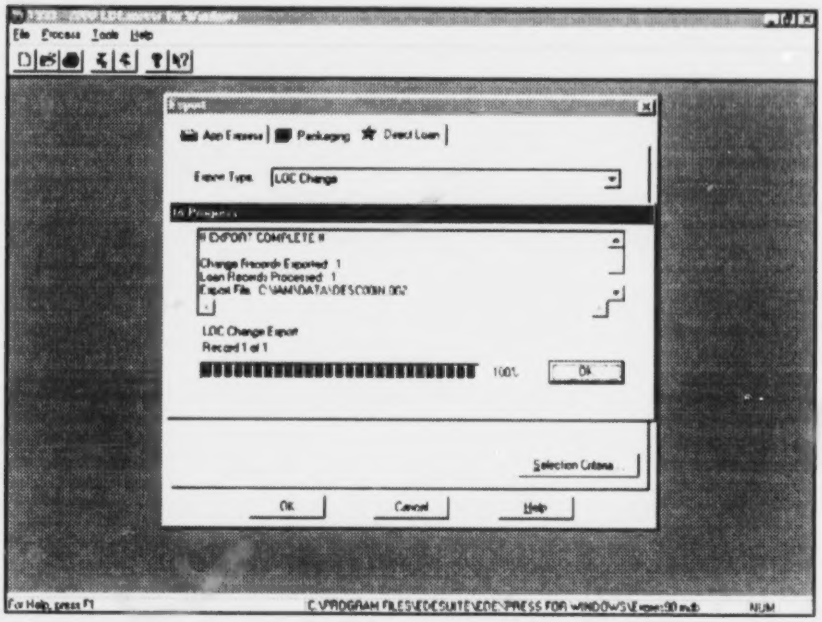
*Select the Export Type **LOC Change**.*

*Click **OK**.*


File
Process
Tools
Help
Export
App Express
Packaging
Direct Loan
Export Type
Export To
File
Selection Criteria...
OK
Cancel
Help
For Help, press F1
NUM

Export To: C:\AM\DATA\DESC00IN.DAT

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb


File Process Tools Help
Export
App Express
Packaging
Direct Loan
Selection Criteria...
OK
Cancel
Help
For Help, press F1
NUM

Export Type: LOC Change

```
# EXPORT COMPLETE #

Change Records Exported: 1
Loan Records Processed: 1
Export File: C:\AM\DATA\DESC00IN.002
```

LOC Change Export
Record 1 of 1
100%

Since a change was created by making the loan inactive, the Export Statistics box indicates that one record was included in the batch.

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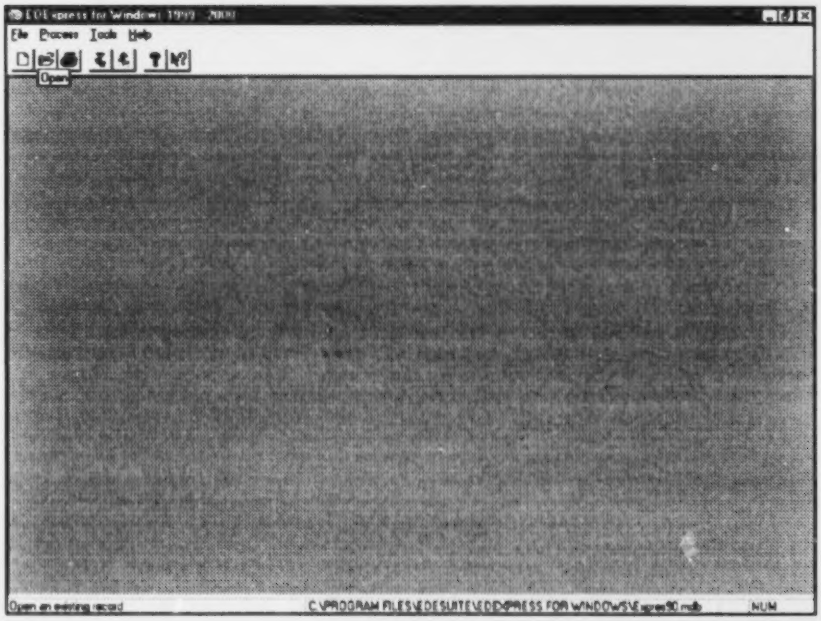
Verify Change

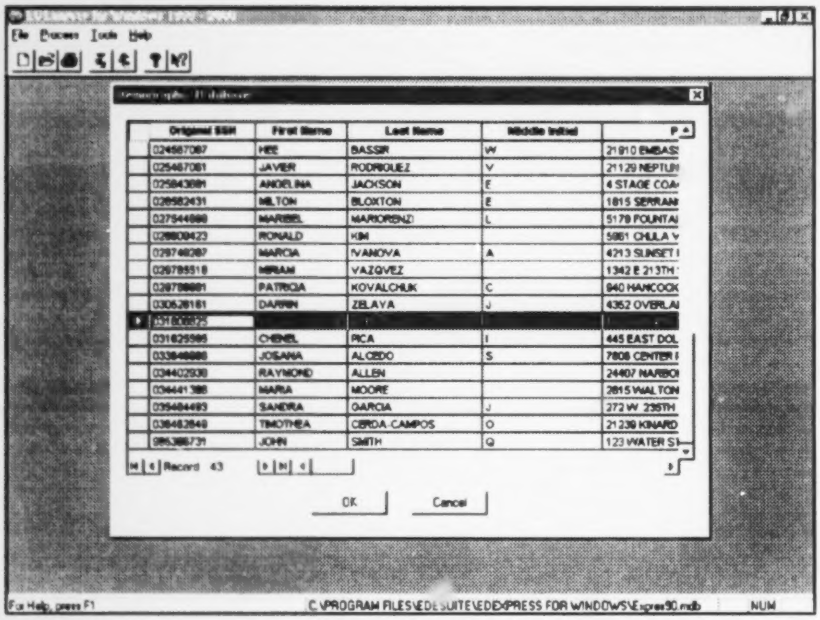
If, for example, you submitted a batch of disbursement records and never received an acknowledgement for one of the records in the batch you can use the Verify Change function to update one record to resend. Otherwise, if you regenerated the entire batch, it would cause rejects for the records that did not need to be resent. You can make changes to either the Loan Amount Approved or the Anticipated Disbursements Gross Amounts and Dates. You would then export and send change records to the LOC.

You can use the Verify Change function on records that have a loan status of B (batched) or A (accepted by the LOC). For example, if you send a change record to the LOC to adjust the Loan Amount Approved for a loan and the LOC rejects the change because of outstanding disbursements, you can use this process to resend the adjustment once all disbursement transactions have been processed.

Begin by opening a record.

Click the ***Open*** *icon.*


EDExpress for Windows 1999 - 2000
File
Process
Tools
Help
Open
Open an existing record
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

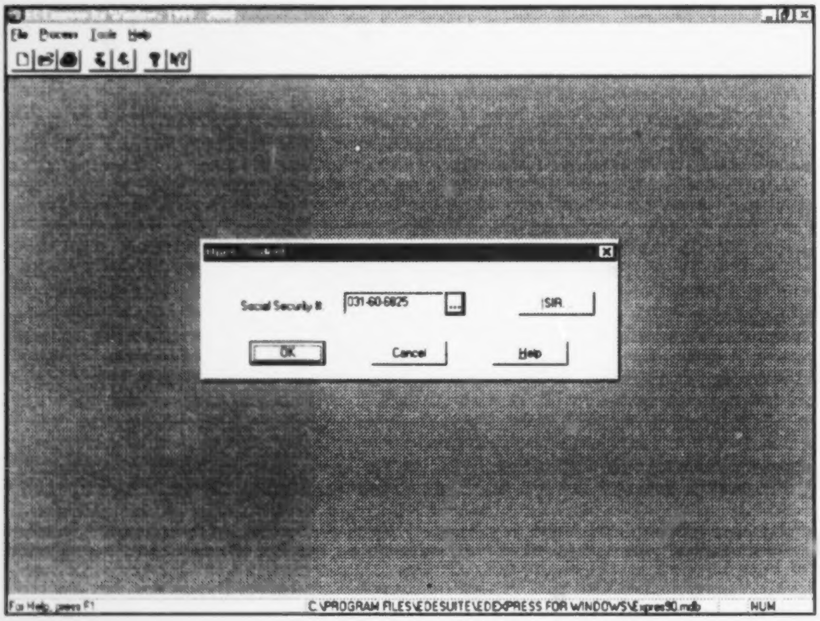

File Process Tools Help
P ▲
Record 43
OK
Cancel
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Original SSN	First Name	Last Name	Middle Initial	P
024567087	HEE	BASSIR	W	21910 EMBAS
025467081	JAVIER	RODRIGUEZ	V	21129 NEPTU
025843081	ANGELINA	JACKSON	E	4 STAGE COA
026582431	MILTON	BLOXTON	E	1815 SERRAN
027544080	MARIBEL	MARIORENZI	L	5178 FOUNTA
028800423	RONALD	KIM		5861 CHULA V
028748287	MARCIA	IVANOVA	A	4213 SUNSET
028785518	MIRIAM	VAZQVEZ		1342 E 213TH
028788881	PATRICIA	KOVALCHUK	C	840 HANCOCK
030628181	DARRIN	ZELAYA	J	4352 OVERLA
031606825				
031625585	CHENEL	PICA	I	445 EAST DOL
033840888	JOSANA	ALCEDO	S	7808 CENTER
034402938	RAYMOND	ALLEN		24407 NARBO
034441388	MARIA	MOORE		2815 WALTON
035484493	SANDRA	GARCIA	J	272 W. 235TH
038482848	TIMOTHEA	CERDA-CAMPOS	O	21239 KINARD
985388731	JOHN	SMITH	Q	123 WATER S

*Click the **ellipsis** button to see a list of records.*

*Click on the record for **David Lopez**.*

*Click **OK**.*


File Process Tools Help
...
ISIR
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

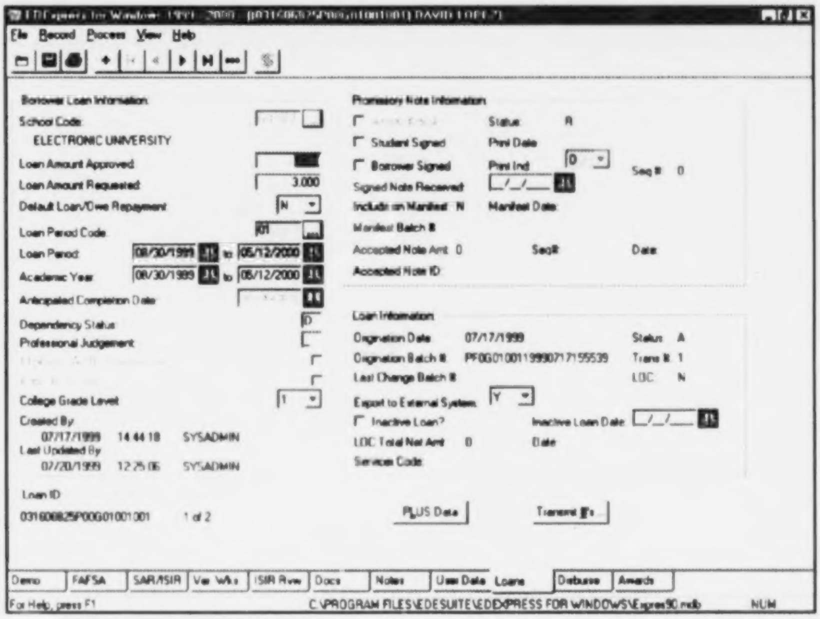
Social Security #: 031-60-6825

*Click **OK** to open the record.*

140

BEST COPY AVAILABLE

*Click on the **Loans** tab to see prom note and loan information about the student.*

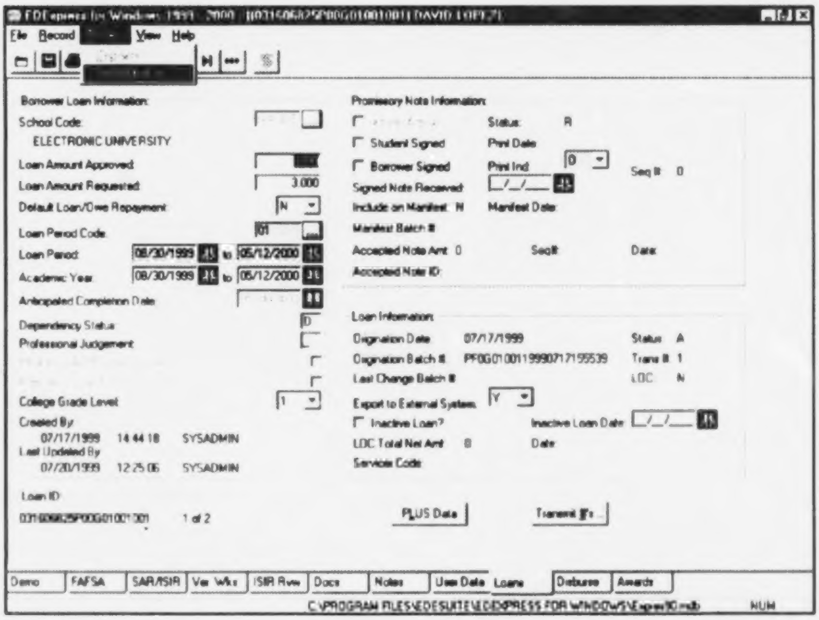

File Record Process View Help
PLUS Data
Transmit #s...
Demo | FAFSA | SAR/ISIR | Ver Wks | ISIR Rvw | Docs | Notes | User Data | Loans | Disburse | Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Borrower Loan Information
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved:
Loan Amount Requested: 3,000
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status: D
Professional Judgement:
College Grade Level: 1
Created By:
07/17/1999 14:44:18 SYSADMIN
Last Updated By:
07/20/1999 12:25:06 SYSADMIN
Loan ID:
031606825P00G01001001 1 of 2

Promissory Note Information
Status: R
☐ Student Signed
Print Date:
☐ Borrower Signed
Print Ind: 0
Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N
Manifest Date:
Manifest Batch #:
Accepted Note Amt: 0
Seq#:
Date:
Accepted Note ID:

Loan Information
Origination Date: 07/17/1999
Status: A
Origination Batch #: PF0G0100119990717155539
Trans #: 1
Last Change Batch #:
LOC: N
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt: 0
Date:
Servicer Code:

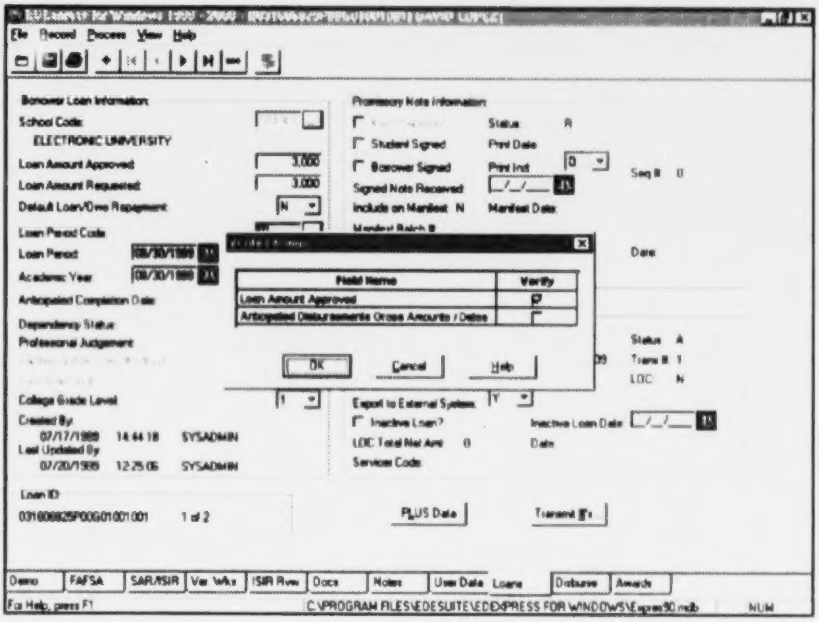
*Select **Process** from the menu bar and click **Verify Change...** from the list.*


File Record View Help
PLUS Data
Transmit #s...
Demo | FAFSA | SAR/ISIR | Ver Wks | ISIR Rvw | Docs | Notes | User Data | Loans | Disburse | Awards
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Borrower Loan Information
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved:
Loan Amount Requested: 3,000
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status: D
Professional Judgement:
College Grade Level: 1
Created By:
07/17/1999 14:44:18 SYSADMIN
Last Updated By:
07/20/1999 12:25:06 SYSADMIN
Loan ID:
031606825P00G01001001 1 of 2

Promissory Note Information
Status: R
☐ Student Signed
Print Date:
☐ Borrower Signed
Print Ind: 0
Seq #: 0
Signed Note Received: __/__/____
Include on Manifest: N
Manifest Date:
Manifest Batch #:
Accepted Note Amt: 0
Seq#:
Date:
Accepted Note ID:

Loan Information
Origination Date: 07/17/1999
Status: A
Origination Batch #: PF0G0100119990717155539
Trans #: 1
Last Change Batch #:
LOC: N
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: __/__/____
LOC Total Net Amt: 0
Date:
Servicer Code:



Borrower Loan Information:
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved: 3,000
Loan Amount Requested: 3,000
Default Loan/Owe Repayment: N
Loan Period: 08/30/1999
Academic Year: 08/30/1999
College Grade Level: 1
Created By: 07/17/1999 14:44:18 SYSADMIN
Last Updated By: 07/20/1999 12:25:06 SYSADMIN
Loan ID: 031606825P00G01001001 1 of 2

Promissory Note Information:
Status: R
Print Ind: 0
Seq #: 0
Include on Manifest: N
Status: A
Trans #: 1
LOC: N
Export to External System: Y
LOC Total Net Amt: 0

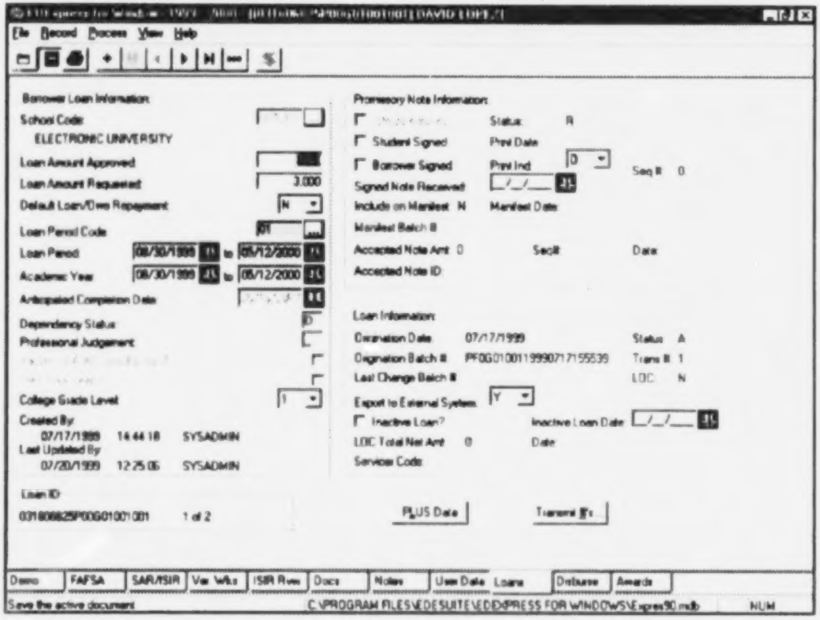
Field Name	Verify
Loan Amount Approved	☑
Anticipated Disbursements Gross Amounts / Dates	☐

File
Record
Process
View
Help
OK
Cancel
Help
PLUS Data
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

The Verify Change dialog box allows you to select specific changes to verify.

*Click the checkbox for **Loan Amount Approved**.*

*Click **OK**.*



Borrower Loan Information:
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved:
Loan Amount Requested: 3,000
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/12/2000
Academic Year: 08/30/1999 to 05/12/2000
Dependency Status: D
College Grade Level: 1
Created By: 07/17/1999 14:44:18 SYSADMIN
Last Updated By: 07/20/1999 12:25:06 SYSADMIN
Loan ID: 031606825P00G01001001 1 of 2

Promissory Note Information:
Status: R
Print Ind: 0
Seq #: 0
Include on Manifest: N
Accepted Note Amt: 0

Loan Information:
Origination Date: 07/17/1999
Status: A
Origination Batch #: PF0G01001199907171555539
Trans #: 1
LOC: N
Export to External System: Y
LOC Total Net Amt: 0

File
Record
Process
View
Help
PLUS Data
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Save the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

*Click the **Save** icon on the toolbar to save the record.*

Apply What You Know

Print a List

1. Select **File/Print** from the menu bar.
2. Click the tab of the module you want to use.
3. Click the **down arrow** in the Report text box and choose the type of list you want to print.
4. Click **Printer**, **File**, or **Screen** for the output destination.

   If you want to send the report to a file:

   Click the **File** button to locate the file, then click **OK**. EDExpress enters the filename and location in the text box automatically.

   Remember that if you print to a file or the screen, no paper copy prints on your printer. To print a paper copy, repeat the print process and select **Printer** as your output destination.
5. Click the **Selection Criteria** button (if available) if you want to select a specific group of multiple records.
6. Click **OK** when you are finished entering criteria.
7. Click the **down arrow** in the Sort Order box (this option displays when you print certain lists). Select **Last Name Order** to list records by last name or select **SSN Order** to list records in SSN order.
8. Enter additional information or choose additional options if EDExpress prompts you for them.
9. Click **OK** to send the list to the output destination you chose.

   If you chose **Screen** as your output destination, use the scroll bars to view and click **OK** when you're finished.

Export Origination, Change, and Disbursement Records

1. Select **File/Export/Direct Loan** from the menu bar.
2. Click the **down arrow** on the Export Type text box to display a list of file types to export.
3. Select an export type: LOC Full Stafford, LOC Full PLUS, LOC Change, or LOC Disbursement. (This procedure should be used with both new disbursement records and disbursement change records.)
4. Confirm that the default filename and data directory you established in Setup appears in the Export To box.
5. (optional) Click the **Selection Criteria** button to narrow the group of records you want to work with. When you are finished, click **OK**.
6. Click **OK** to export the file. EDExpress exports the records to the file shown in the Export To box and an Export Statistics box appears.
7. Click **OK** to close the Export Statistics box.

Browse the Batch Activity Database

1. Select **Tools/Browse/Direct Loan** from the menu bar.
2. Click on the **Batch Activity** tab.
3. Use the scroll bars to view the contents of the table.
4. Click **OK** to return to the EDExpress main window.

Import Acknowledgements

1. Select **File/Import/Direct Loan** from the menu bar.
2. Click the **down arrow** on the Import Type text box to display a list of file types to import.
3. Select the type of file you want to import (Full Summary Stafford, Promissory Note Manifest, etc.).
4. Confirm that the default filename and data directory you established in Setup appears in the Import From box. Or, if you want to import to a different filename, click the File button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.
5. Click **Screen**, **File**, or **Printer** as the output destination for the acknowledgement report.

   If you want to send the report to a file: Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically. Remember that if you print to a file, no paper copy prints on your printer. To print a paper copy, re-import the file, and select Printer as your output destination.

7. If you chose **Screen** as your output destination, use the scroll bars to view and double-click on the control box when you are finished.

Discussion Questions for Chapter 4

1. What are the five export batch file types used in Direct Loan processing?

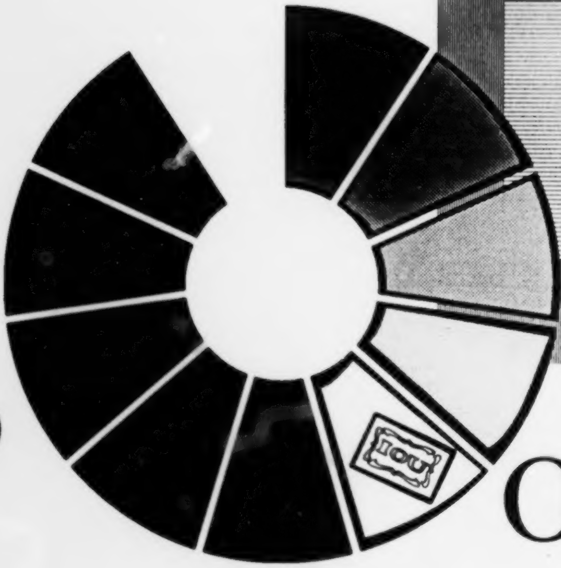
2. What happens to the loan status code when the loan is exported?

3. What is a benefit to making a loan inactive?

4. How many days does it take for the LOC to turn around a Stafford Origination record?

Chapter 5

Promissory Notes



Once the loan origination record has been created, you are ready to print a promissory note–the official loan obligation document that must be signed and completed by the borrower. In this chapter you learn how to print notes and what to do with them.

5 Promissory Notes

Objectives

1. Identify the steps in the promissory note printing process.
2. Use the Print function to print notes from the record and batch level.
3. Record signed and received notes in the student record.
4. Use the Export function to create the promissory note shipping manifest.
5. Use the Import function to update records with the Master Promissory Note acknowledgements from the LOC.
6. Identify changes to loan amounts that affect the promissory note.

Master Promissory Note Procedures

Beginning with the 1999-2000 academic year, the Master Promissory Note (MPN) will be the only approved promissory note for Direct Subsidized and Unsubsidized Stafford loans and will replace the current promissory note. The MPN is designed to support one subsidized and one unsubsidized loan for a student borrower. The MPN may not be used to make multiple loans of the same type (e.g., multiple subsidized loans) or make loans for attendance at more than one school.

The MPN is more streamlined and borrower-friendly than the current promissory note. Major changes include:

- Moving all borrower certifications and authorizations to the front of the form.
- Removing all school certification information, including the amount of the loan(s) from the promissory note. This information will be provided to the borrower on a separate new form called the Disclosure Statement.
- Simplified and improved print specifications.

The Borrower's Rights and Responsibilities Statement (a separate document from the promissory note) discloses additional loan information for borrowers. The Borrower's Rights and Responsibilities Statement provides the student with information about their rights as well as their obligations associated with their loans. It must be sent to the borrower with the promissory note.

A sample copy of the Direct Subsidized/Direct Unsubsidized Loan Promissory Note and Disclosure is included as an appendix to this training guide.

Expiration of an MPN

An MPN will expire upon the earliest of:

1. The date the LOC receives written notification from the student borrower asking that the MPN no longer be used as the basis for additional loans.

2. One year after the date of the first anticipated disbursement if no disbursements have been made under the MPN during the past twelve months.

3. Ten years after the date of the first anticipated disbursement made under this MPN. However, if a portion of a loan is made on or before ten years from the first anticipated disbursement date, remaining disbursements of the loan can be made.

Promissory Notes

The promissory note process consists of seven steps:

1. Print notes.
2. Obtain borrower signatures.
3. Review the notes to ensure complete and accurate data.
4. Record notes as signed and received in EDExpress.
5. Use the Export function to create a paper shipping manifest.
6. Mail the signed notes to the LOC with the paper shipping manifest.
7. Import the promissory note acknowledgement into EDExpress.

Print Site Options

You determine your print location by setting the Print Site Option in System Setup (see Chapter 1). Standard Origination schools must set this option to **S** (the LOC prints and sends notes to the borrower). Borrowers at Standard Origination schools should communicate to the school any changes to their promissory note that have been sent to the LOC.

Option 1 and Option 2 schools may set the option to **R** (the LOC prints and returns notes to the school).

Promissory Note Print Option Codes

O = On-site (Option 2 schools only, using EDExpress)

R = LOC prints and sends to school (Option 2 and Option 1 schools only)

S = LOC prints and sends to borrower (Standard Option schools only)

Z = Reprinted at the LOC

F = On-site (Option 2 schools only, not using EDExpress)

Promissory Note Status

The promissory note status indicates where a loan record stands in the promissory note process.

Promissory Note Status Flags	
N	Not ready to print
R	Ready to print
P	Printed/requested to print
S	Signed
A	Accepted by the LOC
E	Error received by the LOC
X	Pending

The rules for status flags are as follows:

1. When Stafford Loan records are ready to send to the LOC (loan origination status=**R**), EDExpress also sets their promissory note status to **R** (ready to print).
2. As notes are printed, their promissory note status will change to **P** (printed).
3. Updating records for notes that are returned to you after having been signed by the borrower sets the promissory note status to **S** (signed). Notes with a status of S can be included on the shipping manifest. The promissory note information box indicates when the note is ready to be included on a manifest.
4. When the shipping manifest has been printed and the notes have been mailed to the LOC, you receive an electronic acknowledgement accepting or rejecting the note. This acknowledgement sets the promissory note status to **A** (accepted), **E** (rejected), or **X** (pending). Rejected notes must be corrected or reprinted and/or resubmitted to the LOC on a new manifest. Pending notes could not be processed by the LOC. One reason may be that the origination record has not been sent yet.

Accepted Note ID

Since the MPN is used for the Subsidized and Unsubsidized loans, a student will only have one prom note for both loans. A single loan ID prints on the MPN. The single ID becomes the Master Promissory Note ID and is the loan ID for one of the two loans that may be supported by the MPN. When the MPN is sent to the LOC, an Accepted Note ID is created for the note and is stored in each loan record in EDExpress when you import the acknowledgement file. If you need to make changes that cause a new note to be printed, use the first record you created to print the note. The LOC will link the records for each loan that is associated with the MPN for the student.

Producing Promissory Notes

Option 1 and 2 Origination

- Schools may print a standard promissory note, using either software or preprinted forms provided by ED or other software that prints the entire form commonly referred to as a "Flash Form" (provided that the resulting promissory note meets ED specifications).

  If you develop your own promissory notes, you must have them *reviewed and approved* by the Department of Education. Promissory notes for review should be sent to:

  U.S. Department of Education
  ATTN: Promissory Note Testing
  PO Box 2132
  Montgomery, AL 36102-2132

  When sending promissory notes for review, you should send an original promissory note that contains sample data. If the school has questions about the status of their promissory note in testing they may call 800/848-0978 and ask for the Promissory Note Testing Manager.

- If your school chooses to include a school bar code on promissory notes, prior approval from ED is *not* required. However, the bar code may not be placed in the bottom margin of the note. The entire margin is reserved for ED's processor. Space has been provided for the school barcode in the header of the MPN directly to the left of the OMB approved box.
- If the school decides to have the LOC print its promissory notes, the request must be made prior to the records being batched. This request must be entered in each student's record. NOTE: Schools may request that the LOC provide this service without changing their other origination option functions.
- The LOC sends borrower-specific printed promissory notes to the school within three business days of receipt of the request.

Standard Origination

- For schools using the Standard origination option, the LOC prints all notes and sends them directly to borrowers.

Address Considerations for Sending Promissory Notes

- The parent's permanent address must appear on the Direct PLUS promissory note.
- The student's permanent address should be provided on the Master Promissory Note.
- Depending on when the note is mailed (e.g., if school is already in session), the school may choose to mail it to the student's local address, even though the permanent address appears on the note.

Handling Prom Notes using EDExpress

Depending on when you begin processing Direct Loans and printing MPNs at your school, the version of EDExpress that you may be using will handle the prom note process differently. Since version 5.1 of EDExpress does not automatically link the subsidized and unsubsidized loans that are associated with a single MPN, you will need to establish procedures to properly track the prom notes and status updates.

Version 5.2 of EDExpress, expected to be released in May 1999, will include an update to simplify MPN processing using EDExpress. An option on the print screen will allow you to suppress the printing of the unsubsidized loan and will update the promissory note status of both loans to "P". The manifest will list only the subsidized loan for each borrower. This change will alleviate the manual processes outlined below for printing and manifesting prom notes. Subsidized and unsubsidized loan processing must be done simultaneously for this to work properly. An originated unsubsidized loan must exist at the point in time of printing the subsidized loan.

EDExpress Version 5.1 Procedures

Each of the following procedures will have the same result of getting all of the appropriate fields updated to accurately track the prom note. Use the method that is best suited to your school.

Procedure 1

Print only the subsidized promissory note for the borrower to sign. This will set the status flag to "P" for printed. Check the "Borrower Signed" field when you receive it back from the borrower. This is the note you will manifest and send to the Loan Origination Center.

When you import the LOC acknowledgement of the subsidized loan origination record, EDExpress will update the unsubsidized loan to status "A".

Procedure 2

Print only the subsidized promissory notes to the printer for the borrower to sign. This will set the status flag to "P" for printed. You must check the "Borrower Signed" field when you receive it back from the borrower. This is the note you will manifest and send to the LOC.

Print the unsubsidized promissory note to a file (rather than the printer). This will change the status flag to "P". You must then check the "Borrower Signed" field when you receive the MPN back from the borrower.

When you print the manifest you have two options: 1) you can let the software select and include on the manifest all records that are marked as signed. The list will include the subsidized and unsubsidized promissory notes for borrowers who have both types of loans. Then mark a line through and initial the listed promissory notes that were printed to a file. 2) You can use selection criteria or a query to choose specific records to be included in the manifest, avoiding the task of marking out the notes that are not physically included.

Procedure 3

Print all of the subsidized and unsubsidized promissory notes. This will set the status flag to "P". Discard one of the promissory notes for the borrower, since only one valid MPN is required.

The borrower only needs to sign one promissory note. When it is returned, remember that you must check the "Borrower Signed" field for both of the loan records.

The signed promissory note should be included on the manifest. Again, you can include all promissory note records on the manifest and mark through those not physically included, or choose specific promissory notes to be included in the manifest.

Procedure 4

Print both subsidized and unsubsidized promissory notes. Have the borrower sign both notes. Mark each promissory note as signed, manifest and send both promissory notes to the LOC. The LOC will assign one of the promissory notes as the MPN and link all appropriate records.

Printing Multiple Promissory Notes

EDExpress provides you the option of printing multiple promissory notes using the Print function or a single promissory note from within the loan record. In this example we will print a group of Stafford loan notes using selection criteria.

*Select **File/Print** or click the 🖶 button.*

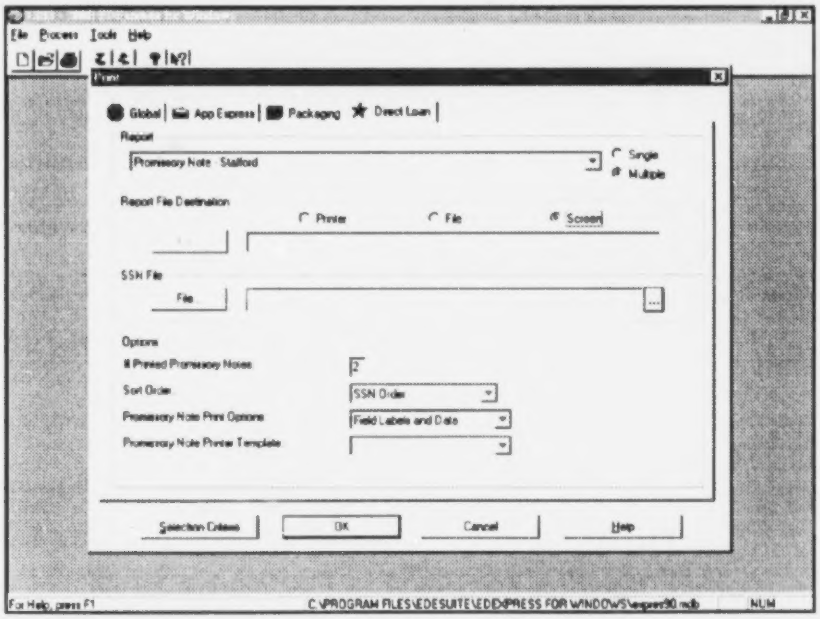
*Click the **Direct Loan** tab.*

*Select the report: **Promissory Note – Stafford**.*

*Click **Multiple**.*

*Click **Screen**.*

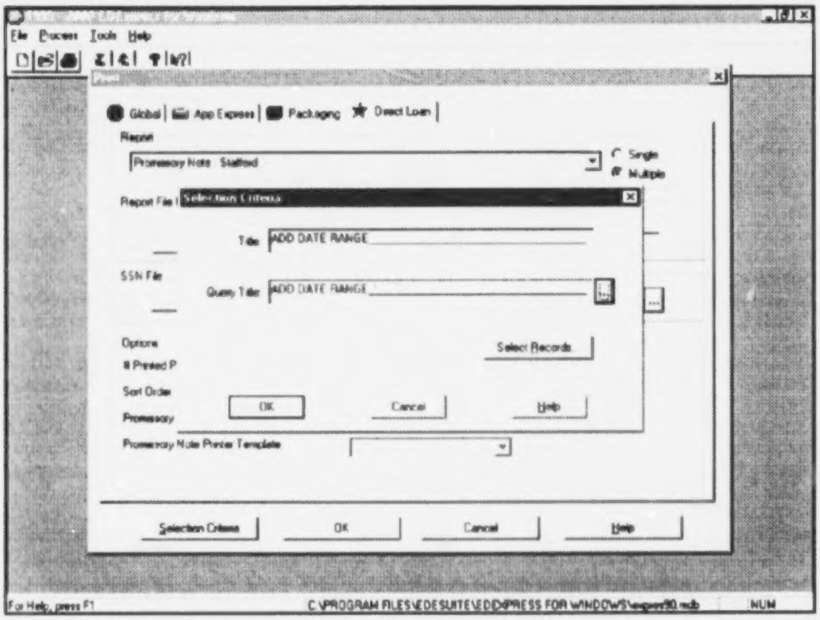
*Click **Selection Criteria**.*


File Process Tools Help
Print
Global
App Express
Packaging
Direct Loan
○ Single
○ Printer
○ File
File...
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

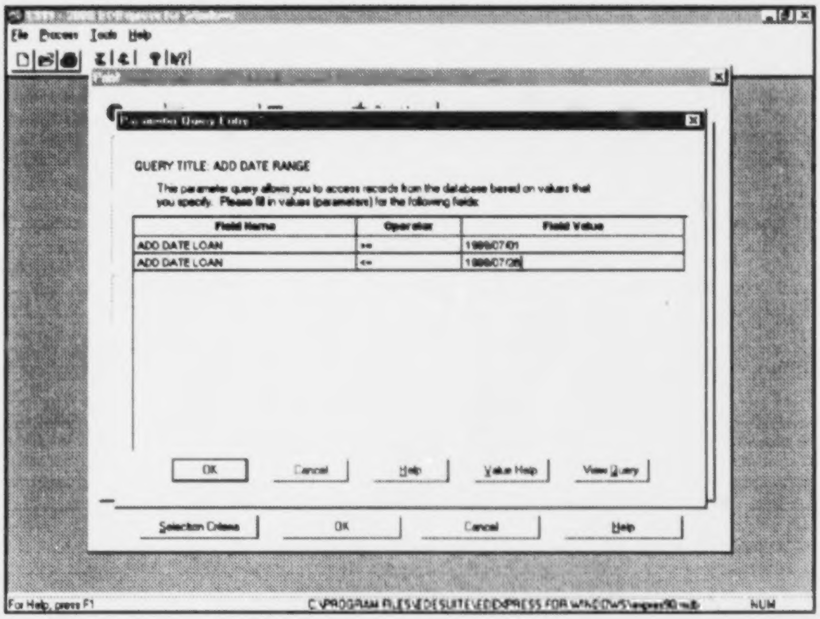
Report: Promissory Note - Stafford
● Multiple
Report File Destination: ● Screen
SSN File
Options
Printed Promissory Notes: 2
Sort Order: SSN Order
Promissory Note Print Options: Field Labels and Data
Promissory Note Printer Template:

*Select **Add Date Range**.*

*Click **OK**.*


File Process Tools Help
Global
App Express
Packaging
Direct Loan
○ Single
Select Records...
OK
Cancel
Help
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Report: Promissory Note - Stafford
● Multiple
Selection Criteria
Title: ADD DATE RANGE
Query Title: ADD DATE RANGE


File Process Tools Help
Parameter Query Entry
OK
Cancel
Help
Value Help
View Query
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

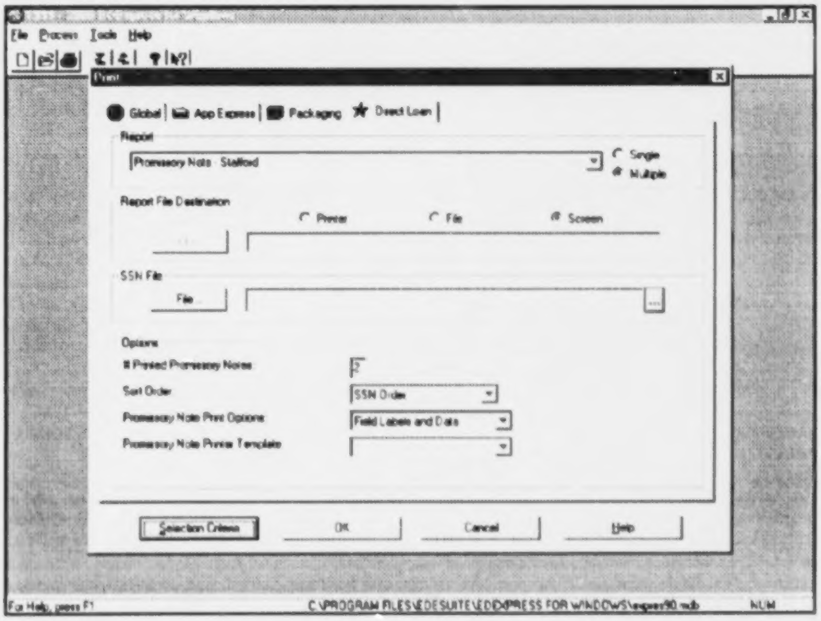
QUERY TITLE: ADD DATE RANGE

This parameter query allows you to access records from the database based on values that you specify. Please fill in values (parameters) for the following fields:

Field Name	Operator	Field Value
ADD DATE LOAN	>=	1999/07/01
ADD DATE LOAN	<=	1999/07/26

Enter the date range.

*Click **OK**.*


File Process Tools Help
Print
Global
App Express
Packaging
Direct Loan
File...
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Report: Promissory Note - Stafford ○ Single ● Multiple

Report File Destination: ○ Printer ○ File ● Screen

SSN File

Options

# Printed Promissory Notes: 2

Sort Order: SSN Order

Promissory Note Print Options: Field Labels and Data

Promissory Note Printer Template:

*Click **OK**.*

157

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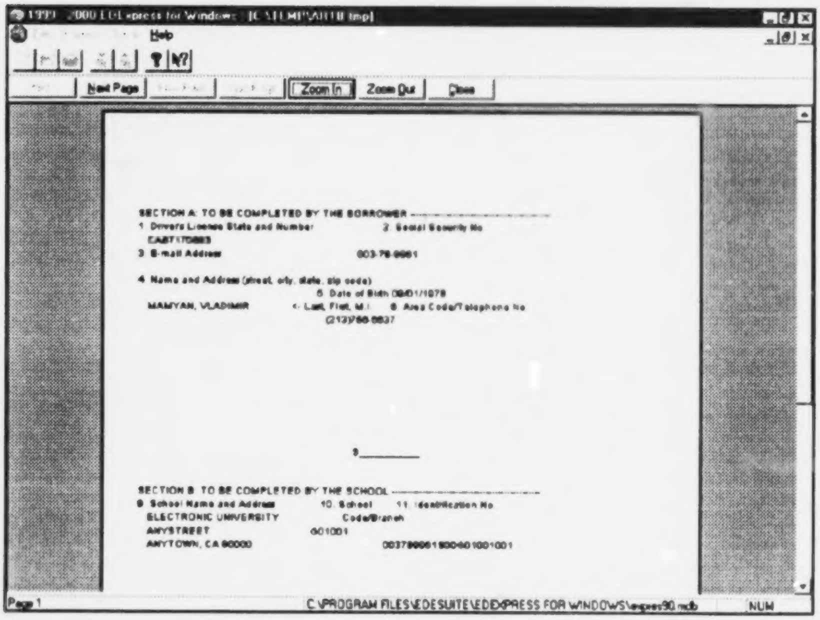
Only the student/borrower specific information is printed. This information fills in spaces on a preprinted promissory note form.


1999 - 2000 EDExpress for Windows
Help
Next Page
Zoom In
Zoom Out
Close
Page 1
NUM

SECTION A: TO BE COMPLETED BY THE BORROWER
1 Drivers License State and Number CA871170883
2 Social Security No 003-78-9961
3 E-mail Address
4 Name and Address (street, city, state, zip code) MAMYAN, VLADIMIR <- Last, First, M.I.
5 Date of Birth 08/01/1978
6 Area Code/Telephone No (213)766-8837
9 __________

SECTION B: TO BE COMPLETED BY THE SCHOOL
9 School Name and Address ELECTRONIC UNIVERSITY, ANYSTREET, ANYTOWN, CA 90000
10 School Code/Branch G01001
11 Identification No 003789961800401001001

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Note:

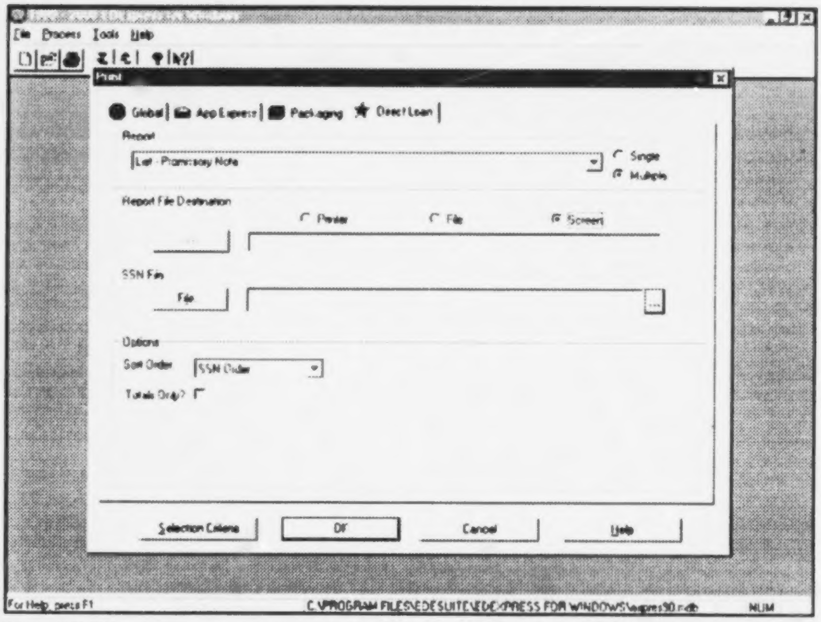
You must send the output of a promissory note to a printer or file for the promissory note status to be updated.

Printing a Promissory Note List

*Select **File/Print...***

*Click the **Direct Loan** Tab and select a destination for the report.*

*Click **OK**.*


File
Process
Tools
Help
Print
Global
App Express
Packaging
Direct Loan
File
Selection Criteria
OK
Cancel
Help
For Help, press F1
NUM

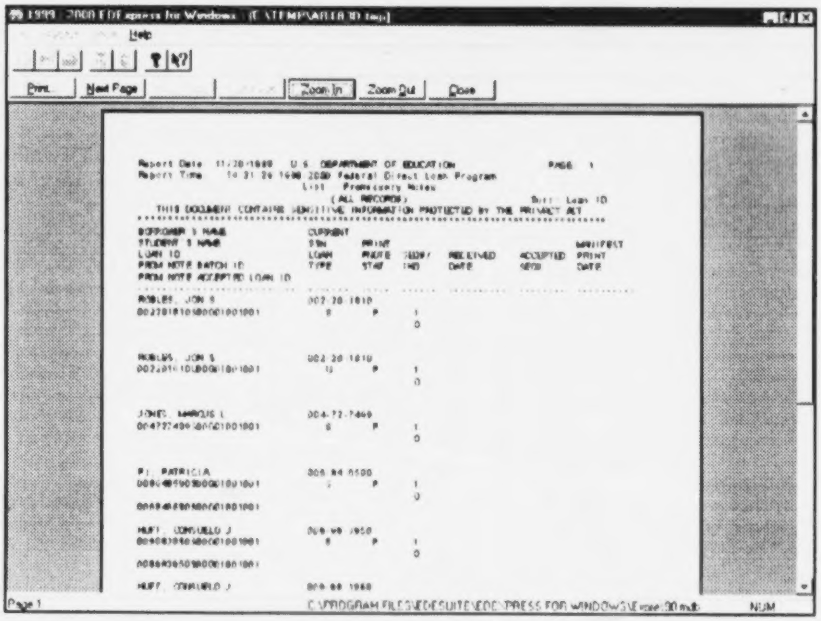
Report: List - Promissory Note
○ Single
● Multiple

Report File Destination: ○ Printer ○ File ● Screen

SSN File

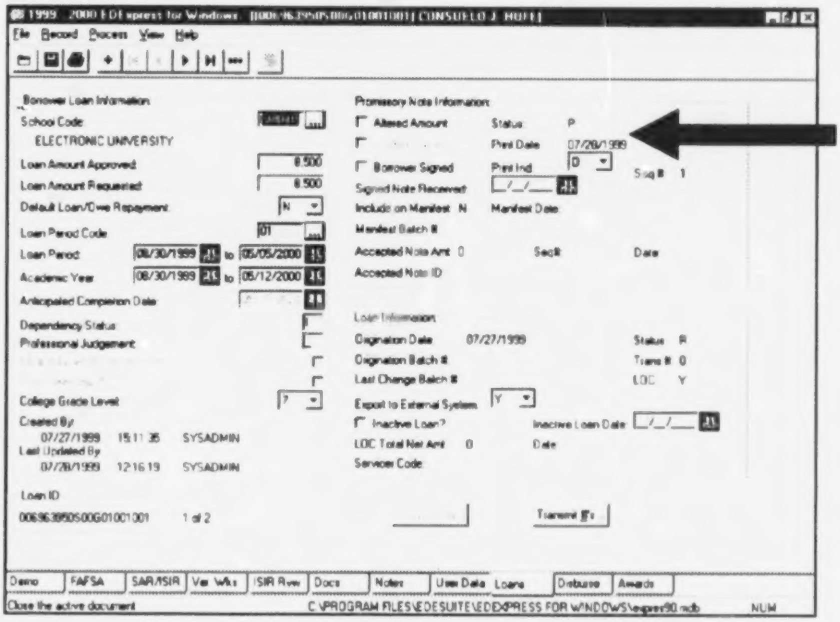
Options
Sort Order: SSN Order
Totals Only? ☐

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb


1999 - 2000 EDExpress for Windows
Help
Print...
Next Page
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expr90.mdb
NUM

At this point if you print a promissory note list, you can see the updated status of all the records that were printed.

Review the Record


1999 - 2000 EDExpress for Windows
File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit IFs
Close the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expr90.mdb
NUM

Borrower Loan Information
School Code: [illegible]
ELECTRONIC UNIVERSITY
Loan Amount Approved: 8,500
Loan Amount Requested: 8,500
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/05/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status: ☐
Professional Judgement: ☐
College Grade Level: 7
Created By: 07/27/1999 15:11:35 SYSADMIN
Last Updated By: 07/28/1999 12:16:19 SYSADMIN
Loan ID: 00696395OS00G01001001 1 of 2

Promissory Note Information
☐ Altered Amount
Status: P
Print Date: 07/28/1999
☐ Borrower Signed
Print Ind: 0
Seq #: 1
Signed Note Received: _/_/__
Include on Manifest: N
Manifest Date:
Manifest Batch #:
Accepted Note Amt: 0
Seq#:
Date:
Accepted Note ID:

Loan Information
Origination Date: 07/27/1999
Status: R
Origination Batch #:
Trans #: 0
Last Change Batch #:
LOC: Y
Export to External System: Y
☐ Inactive Loan?
Inactive Loan Date: _/_/__
LOC Total Net Amt: 0
Date:
Servicer Code:

Note that the prom note status is now ***P*** *and the print date is 7/28/1999.*

Printing Multiple PLUS Notes

Click the ***Print*** *button on the button bar.*

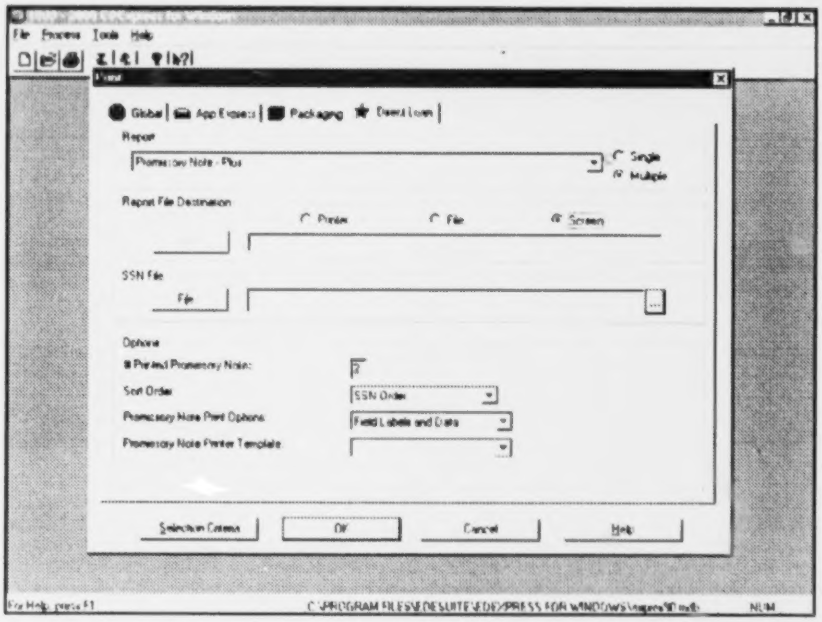
Select the ***Direct Loan*** *tab.*

Select ***Promissory Note - PLUS*** *as the Report.*

Select Multiple.

Select the sorting and printing options.

Click the ***Selection Criteria*** *button to use a query.*


File
Process
Tools
Help
Print
Global
App Express
Packaging
Direct Loan
File
Selection Criteria
OK
Cancel
Help

Report: Promissory Note - Plus

○ Single
● Multiple

Report File Destination: ○ Printer ○ File ● Screen

SSN File

Options

Printed Promissory Notes: 2

Sort Order: SSN Order

Promissory Note Print Options: Field Labels and Data

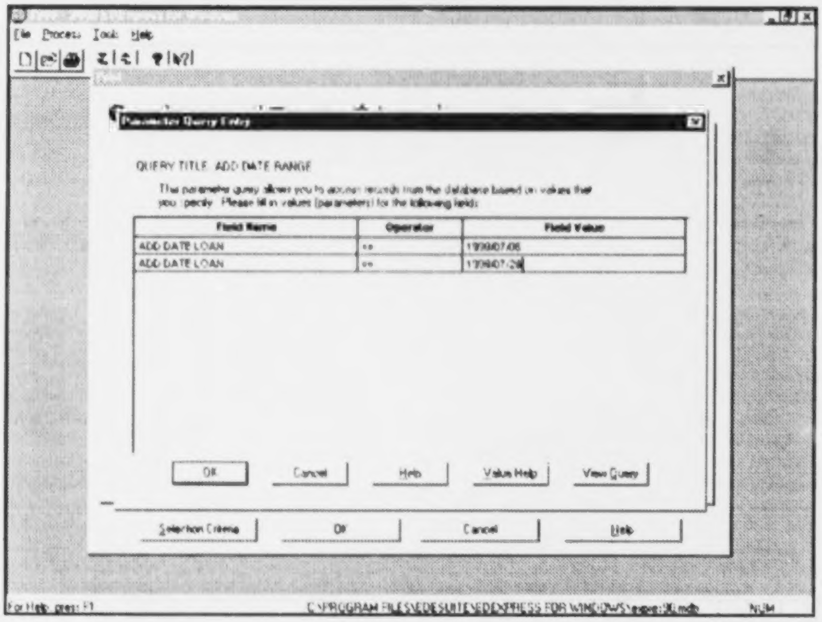
Promissory Note Printer Template:

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

We have selected the Add Date Range query. This query allows us to specify a specific date range for the notes we are printing.

Enter the values ***1999/07/05*** *and* ***1999/07/29****.*

Click ***OK****.*


File
Process
Tools
Help
Parameter Query Entry
OK
Cancel
Help
Value Help
View Query
Selection Criteria
OK
Cancel
Help

QUERY TITLE: ADD DATE RANGE

This parameter query allows you to access records from the database based on values that you specify. Please fill in values (parameters) for the following fields:

Field Name	Operator	Field Value
ADD DATE LOAN	[illegible]	1999/07/05
ADD DATE LOAN	[illegible]	1999/07/29

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

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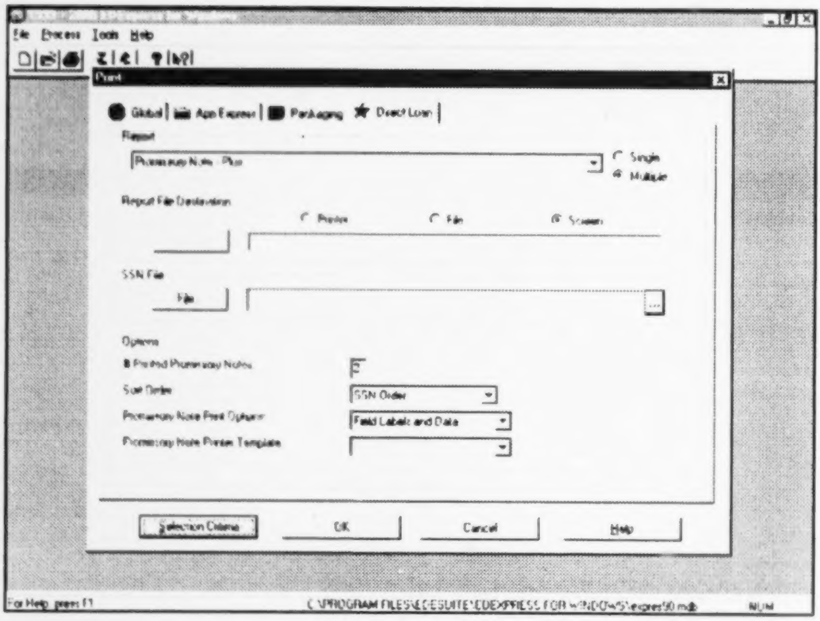
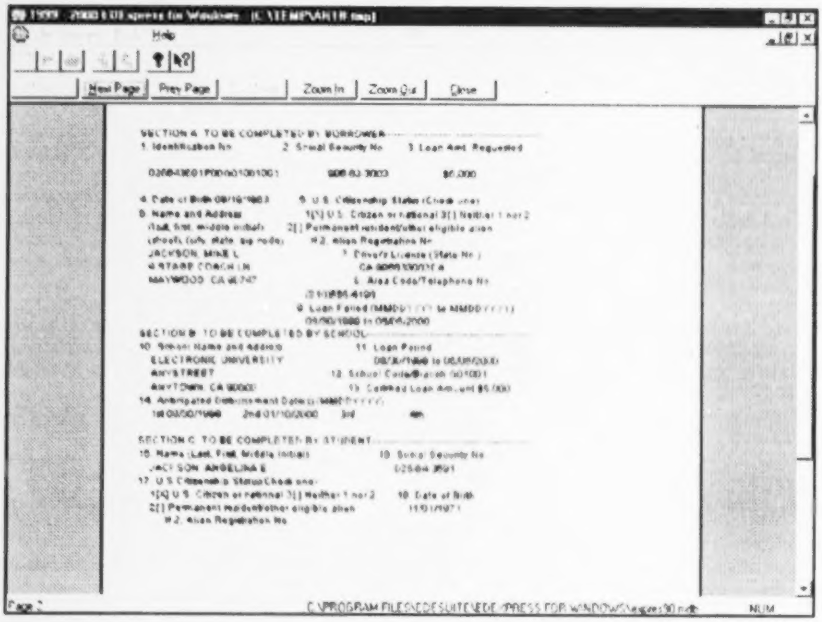
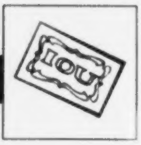

File Process Tools Help
Print
Global
App Express
Packaging
Direct Loan
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Report: Promissory Note - Plus
○ Single ● Multiple
Report File Destination: ○ Printer ○ File ● Screen
SSN File
Options
Printed Promissory Notes
Sort Order: SSN Order
Promissory Note Print Options: Field Labels and Data
Promissory Note Printer Template

Click ***OK*** *to print.*


Help
Next Page
Prev Page
Zoom In
Zoom Out
Close
SECTION A: TO BE COMPLETED BY BORROWER
SECTION B: TO BE COMPLETED BY SCHOOL
SECTION C: TO BE COMPLETED BY STUDENT
Page 2
NUM

The software prints sections A,B, and C of the PLUS promissory notes.

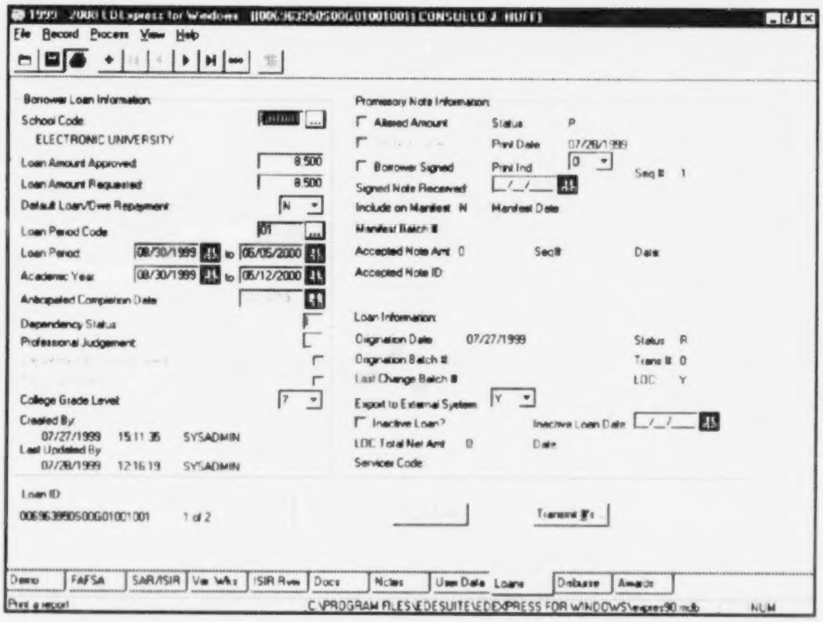


Printing a Single Promissory Note

If you have a loan record open, you can print a promissory note for that record.

Open the student's record.

Click the button.



1999–2000 EDExpress for Windows [006963990500G01001001] CONSUELO J. HUFF

Borrower Loan Information

School Code

ELECTRONIC UNIVERSITY

Loan Amount Approved: 8,500

Loan Amount Requested: 8,500

Default Loan/Owe Repayment: N

Loan Period Code: 01

Loan Period: 08/30/1999 to 05/05/2000

Academic Year: 08/30/1999 to 05/12/2000

Anticipated Completion Date

Dependency Status

Professional Judgement

College Grade Level: 7

Created By

07/27/1999 15:11:35 SYSADMIN

Last Updated By

07/28/1999 12:16:19 SYSADMIN

Promissory Note Information

☐ Altered Amount

Status: P

Print Date: 07/28/1999

☐ Borrower Signed

Print Ind: 0

Seq #: 1

Signed Note Received: __/__/____

Include on Manifest: N

Manifest Date

Manifest Batch #

Accepted Note Amt: 0

Seq#

Date

Accepted Note ID

Loan Information

Origination Date: 07/27/1999

Status: R

Origination Batch #

Trans #: 0

Last Change Batch #

LOC: Y

Export to External System: Y

☐ Inactive Loan?

Inactive Loan Date: __/__/____

LOC Total Net Amt: 0

Date

Servicer Code

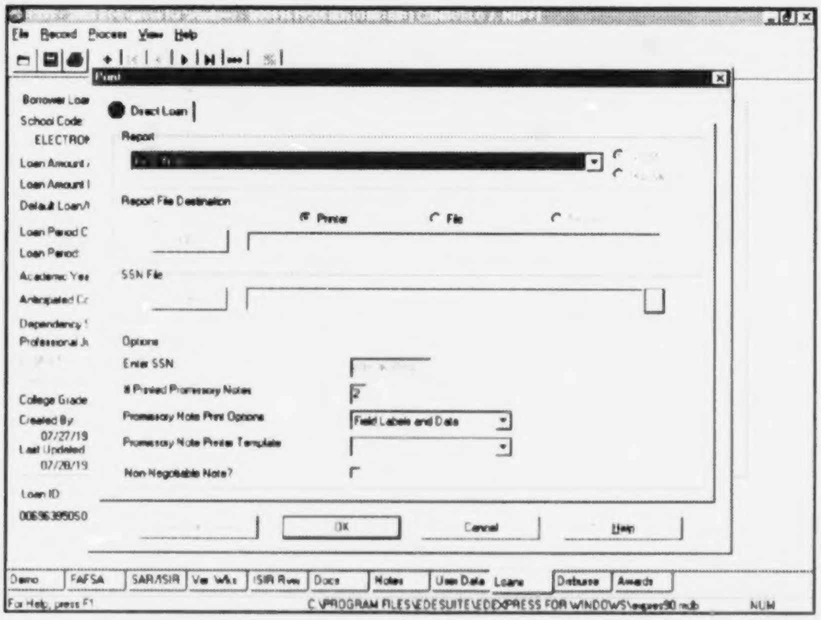
Loan ID

006963990500G01001001 1 of 2

File
Record
Process
View
Help
Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Print a report
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Tip:

Use the Non-Negotiable Note? flag to print a copy of the note without affecting the prom note sequence number.


File Record Process View Help
Print
Direct Loan
Report
Borrower Loan
School Code
ELECTRON
Loan Amount
Loan Amount
Default Loan
Loan Period
Loan Period
Academic Year
Anticipated
Dependency
Professional
College Grade
Created By
07/27/19
Last Updated
07/28/19
Loan ID
00696395050
OK
Cancel
Help
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Report File Destination: ● Printer ○ File

SSN File

Options

Enter SSN

Printed Promissory Notes: 2

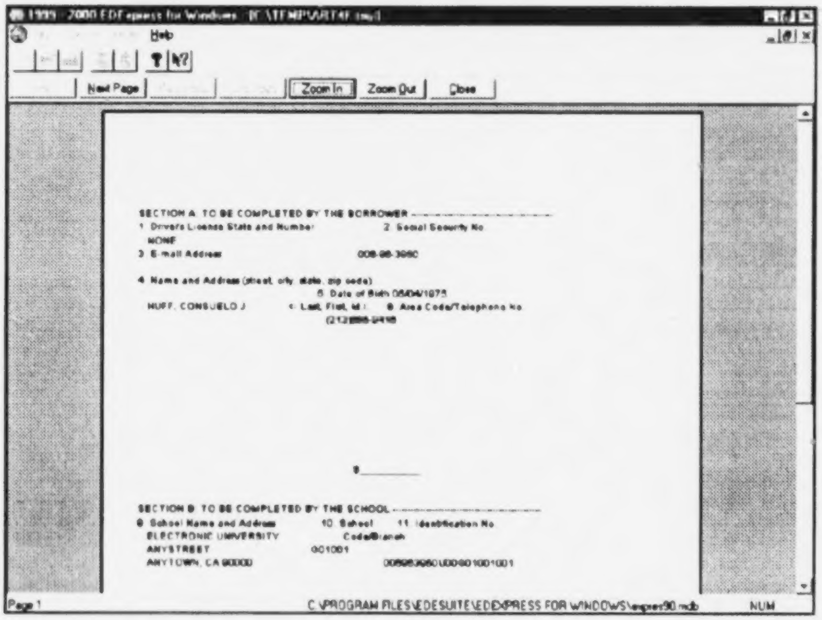
Promissory Note Print Options: Field Labels and Data

Promissory Note Printer Template:

Non-Negotiable Note? ☐

Select the report: ***Prom Note.***

Click ***OK.***


1999 - 2000 EDExpress for Windows
Help
Next Page
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

SECTION A. TO BE COMPLETED BY THE BORROWER

1 Drivers License State and Number: NONE

2 Social Security No: 008-98-3950

3 E-mail Address

4 Name and Address (street, city, state, zip code)

HUFF, CONSUELO J (Last, First, M.I.)

5 Date of Birth 05/04/1975

6 Area Code/Telephone No (212)555-2418

$________

SECTION B. TO BE COMPLETED BY THE SCHOOL

9 School Name and Address

ELECTRONIC UNIVERSITY

ANYSTREET

ANYTOWN, CA 90000

10 School Code/Branch 001001

11 Identification No 008983950U00001001001

Again, the software just prints the loan-specific information to fill in the preprinted promissory note.

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Promissory Note Completion and Return

- Before loan disbursement, the borrower verifies all preprinted information (generated from the loan origination record) and supplies missing information, references, signature, and the date.
- Any changes made to the borrower's preprinted information must be initialed by the borrower.

Using Pre-printed promissory notes prior to May 1, 1999

- A blank line is provided in item 8 for the student to request a lower dollar amount than the maximum amount the school has determined the student is eligible to receive.
- As of April 1, 1999, if the entered amount in item 8 is higher than the statutory annual combined, the MPN is no longer rejected at the LOC. The new MPN amount will be defaulted and recorded at the LOC as the statutory annual combined maximum loan amount.
- If a borrower enters an amount lower than the Loan Amount Approved by the school and later decides to accept the additional amount, a new signed MPN (or a signed "replacement" MPN) will be required.

After May 1...

- The blank line, Item 8, on the pre-printed prom notes will be eliminated. Rather than providing a space for the student to enter a loan amount requested for the first academic period, the "revised" note will use the same space to inform the student of the right to cancel or request a lower loan amount for each academic period. The "revised" version of the MPN also reminds the student where to find additional information about reducing or canceling loans received. For further information on this topic refer to Direct Loan Bulletin 99-14.

- The borrower keeps a copy and returns the original promissory note to the school or to the LOC depending on which origination option the school uses.

For a school using Standard origination, the borrower returns the note directly to the LOC.

For schools using Option 1, the borrower returns the note to the school (or to the LOC if the school chooses to have the LOC handle their promissory notes). The school reviews the note for completeness and accuracy prior to submitting the note to the LOC. These schools must send promissory notes to the LOC before funds can be sent to the school for disbursement to the borrower.

For schools using Option 2, the borrower also returns the promissory note to the school (or to the LOC if the school has requested that the LOC manage its promissory notes). The school reviews the promissory note for completeness and accuracy prior to disbursing the loan. These schools should transmit the fully executed promissory note to the LOC before or immediately after the first disbursement of the loan.

- A signed promissory note must be received *prior* to any disbursements. Thus, the date the school receives the promissory note must be prior to the date of disbursement.

Recording Notes as Signed and Received

When signed notes are returned to your school, you must record them as received in EDExpress. This process allows EDExpress to determine which notes should be listed on the paper manifest.

Notes are recorded as signed and received in three ways:

- **Single Entry**—Checking the Borrower Signed field and saving the record.
- **Multiple Entry**—Selecting the returned notes with the multiple entry selection criteria option and saving the records with Yes in the Signed Note field and the current date in the Signed Note Received field.
- **Import Change File**—Creating a change file that follows the specifications in the *Direct Loan Technical Reference*.

Remember:

Review the notes for accuracy and completeness as you receive them.

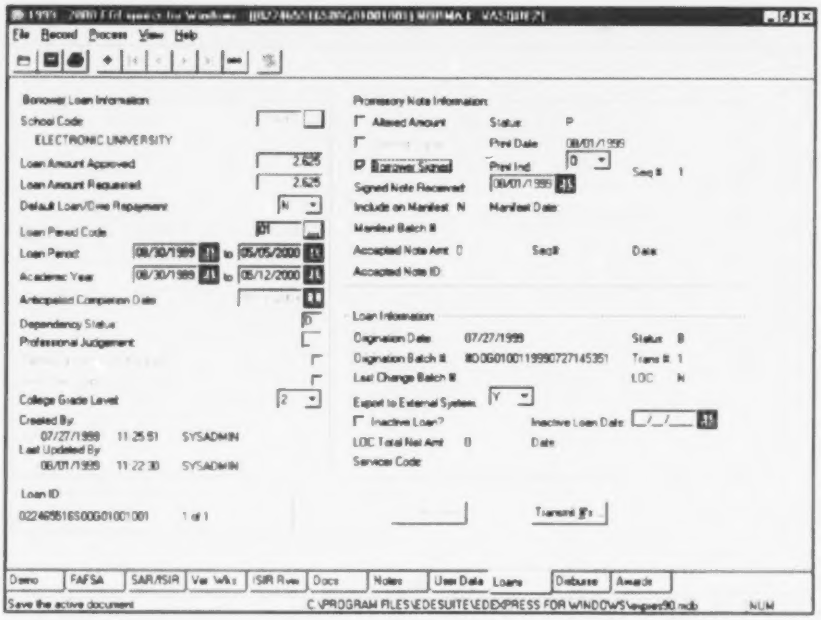
Recording Signed and Received Notes With Single Entry

Open the loan record.

*Click the **Borrower Signed** checkbox.*

EDExpress will assume today's date in the Signed Note Received field unless manually changed.

*Click the **Save** button to save the updates.*



Borrower Loan Information
School Code
ELECTRONIC UNIVERSITY
Loan Amount Approved 2,625
Loan Amount Requested 2,625
Default Loan/Owe Repayment N
Loan Period Code 01
Loan Period 08/30/1999 to 05/05/2000
Academic Year 08/30/1999 to 05/12/2000
Anticipated Completion Date
Dependency Status D
Professional Judgement
College Grade Level 2
Created By 07/27/1999 11:25:51 SYSADMIN
Last Updated By 08/01/1999 11:22:30 SYSADMIN
Loan ID 022465516S00G01001001 1 of 1

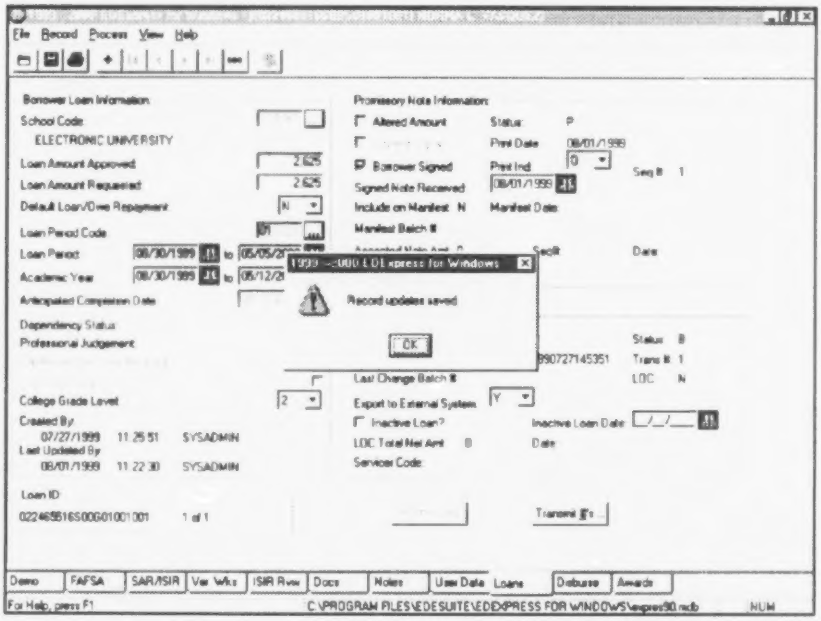
Promissory Note Information
☐ Altered Amount Status: P
Print Date 08/01/1999
☑ Borrower Signed Print Ind 0 Seq # 1
Signed Note Received 08/01/1999
Include on Manifest N Manifest Date
Manifest Batch #
Accepted Note Amt 0 Seq# Date
Accepted Note ID

Loan Information
Origination Date 07/27/1999 Status B
Origination Batch # #D0G01001199907271 45351 Trans # 1
Last Change Batch # LOC N
Export to External System Y
☐ Inactive Loan? Inactive Loan Date __/__/____
LOC Total Net Amt 0 Date
Servicer Code

Save the active document C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

File Record Process View Help
Transmit IDs...
Demo FAFSA SAR/ISIR Ver Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards

*Click **OK**.*



1999–2000 EDExpress for Windows

Record updates saved.

OK
File Record Process View Help
Transmit IDs...
Demo FAFSA SAR/ISIR Ver Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards
For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

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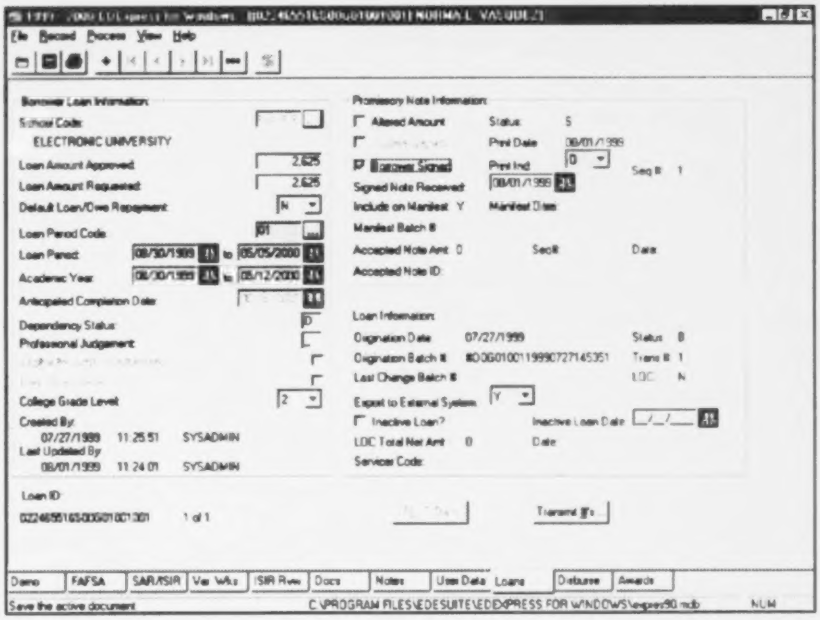


Borrower Loan Information:

School Code:

ELECTRONIC UNIVERSITY

Loan Amount Approved: 2,625

Loan Amount Requested: 2,625

Default Loan/Owe Repayment: N

Loan Period Code: 01

Loan Period: 08/30/1999 to 05/05/2000

Academic Year: 08/30/1999 to 05/12/2000

Anticipated Completion Date:

Dependency Status: D

Professional Judgement: ☐

College Grade Level: 2

Created By:
07/27/1999 11:25:51 SYSADMIN

Last Updated By:
08/01/1999 11:24:01 SYSADMIN

Loan ID:
022465516S00G01001001 1 of 1

Promissory Note Information:

☐ Altered Amount Status: S

Print Date: 08/01/1999

☑ Borrower Signed Print Ind: 0 Seq #: 1

Signed Note Received: 08/01/1999

Include on Manifest: Y Manifest Date:

Manifest Batch #:

Accepted Note Amt: 0 Seq#: Date:

Accepted Note ID:

Loan Information:

Origination Date: 07/27/1999 Status: B

Origination Batch #: #D0G0100119990727145351 Trans #: 1

Last Change Batch #: LDC: N

Export to External System: Y

☐ Inactive Loan? Inactive Loan Date: _/_/__

LDC Total Net Amt: 0 Date:

Servicer Code:

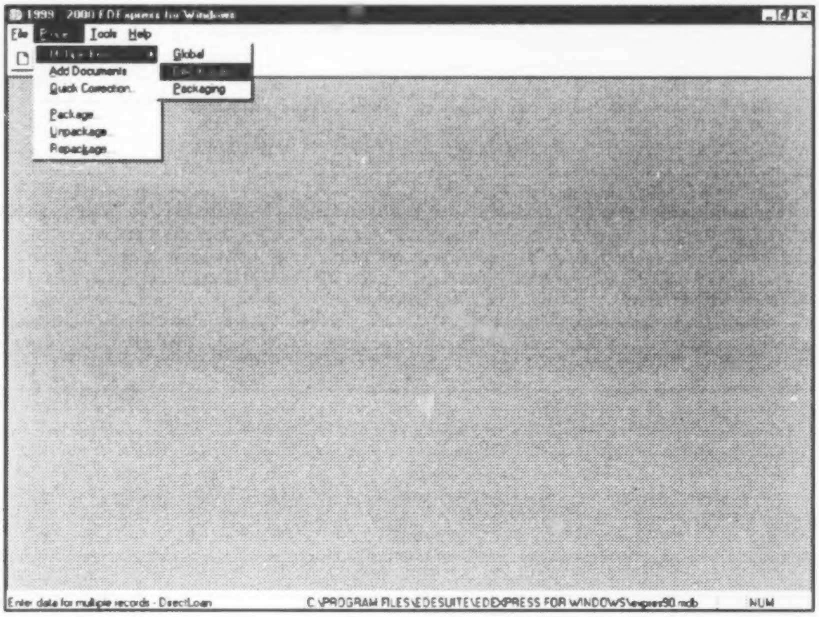
Save the active document C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

*Note the status code is now **S** and the Include on Manifest flag is **Y**.*

Recording Signed and Received Notes With Multiple Entry

Using the Multiple Entry function, you can apply a field update to many records at one time, eliminating the need to open each record and make changes individually.

*Select **Process/Multiple Entry.../Direct Loan** from the menu.*


1999 - 2000 EDExpress for Windows
File
Process
Tools
Help
Multiple Entry
Add Documents
Quick Correction...
Package...
Unpackage...
Repackage...
Global
Direct Loan
Packaging

Enter data for multiple records - DirectLoan

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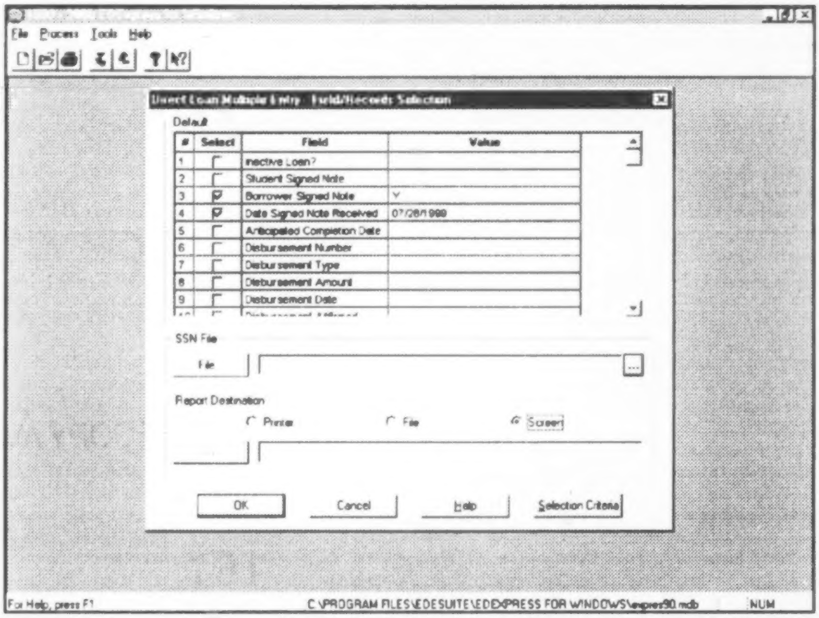
NUM

You can update numerous fields in the loan record using multiple entry.

*Click the **Borrower Signed Note** checkbox.*

*The **Date Signed Note Received** is also checked.*

*Click **Selection Criteria**.*


File
Process
Tools
Help
Direct Loan Multiple Entry - Field/Records Selection
Default
SSN File
File
Report Destination
○ Printer
○ File
● Screen
OK
Cancel
Help
Selection Criteria

#	Select	Field	Value
1	☐	Inactive Loan?	
2	☐	Student Signed Note	
3	☑	Borrower Signed Note	Y
4	☑	Date Signed Note Received	07/28/1999
5	☐	Anticipated Completion Date	
6	☐	Disbursement Number	
7	☐	Disbursement Type	
8	☐	Disbursement Amount	
9	☐	Disbursement Date	

For Help, press F1

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NUM

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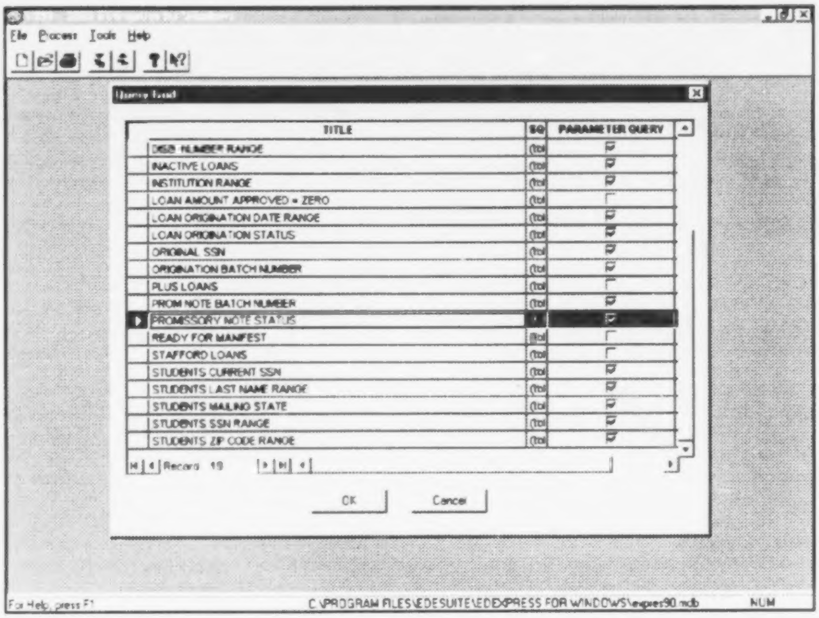
File Process Tools Help
OK
Cancel
Record 19
For Help, press F1
NUM

TITLE	SQ	PARAMETER QUERY
DISB NUMBER RANGE	(tbl	☑
INACTIVE LOANS	(tbl	☑
INSTITUTION RANGE	(tbl	☑
LOAN AMOUNT APPROVED = ZERO	(tbl	☐
LOAN ORIGINATION DATE RANGE	(tbl	☑
LOAN ORIGINATION STATUS	(tbl	☑
ORIGINAL SSN	(tbl	☑
ORIGINATION BATCH NUMBER	(tbl	☑
PLUS LOANS	(tbl	☐
PROM NOTE BATCH NUMBER	(tbl	☑
PROMISSORY NOTE STATUS		☑
READY FOR MANIFEST	(tbl	☐
STAFFORD LOANS	(tbl	☐
STUDENTS CURRENT SSN	(tbl	☑
STUDENTS LAST NAME RANGE	(tbl	☑
STUDENTS MAILING STATE	(tbl	☑
STUDENTS SSN RANGE	(tbl	☑
STUDENTS ZIP CODE RANGE	(tbl	☑

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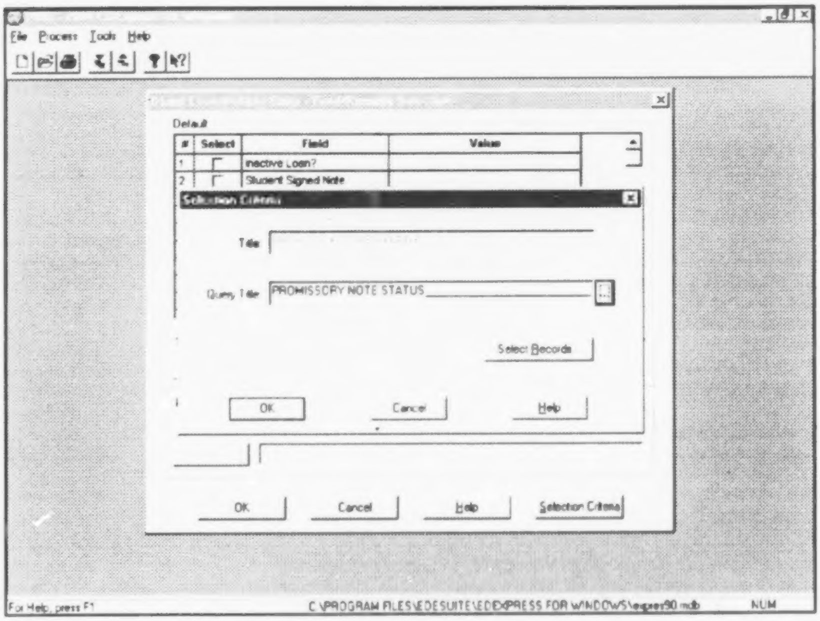
*You want to apply the change to Stafford records with a promissory note status of **Printed**.*

*Select **Promissory Note Status** from the list.*

*Click **OK**.*


File Process Tools Help
Selection Criteria
Select Records
OK
Cancel
Help
OK
Cancel
Help
Selection Criteria
For Help, press F1
NUM

Default

#	Select	Field	Value
1	☐	Inactive Loan?	
2	☐	Student Signed Note	

Title:

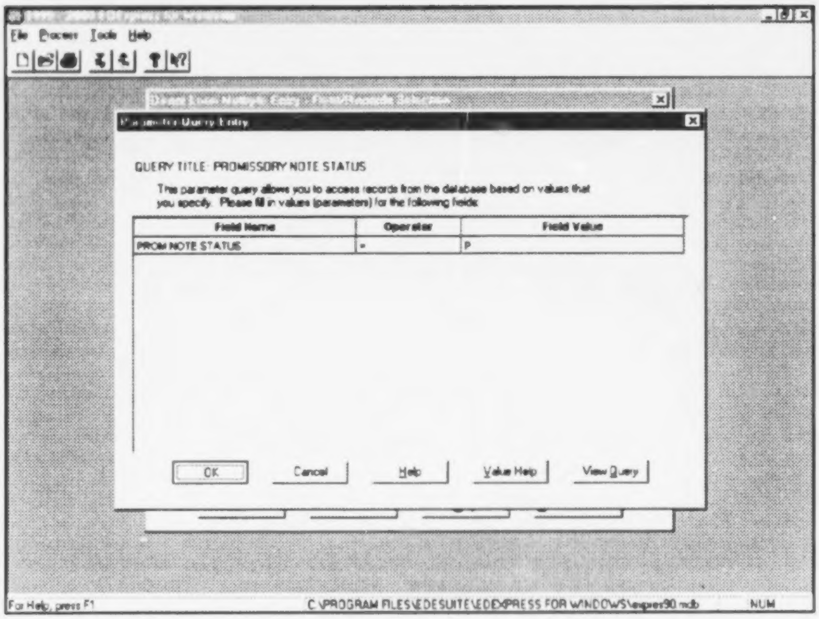
Query Title: PROMISSORY NOTE STATUS

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

*Click **OK**.*

*Enter **P** as the Field Value.*

*Click **OK**.*



Parameter Query Entry

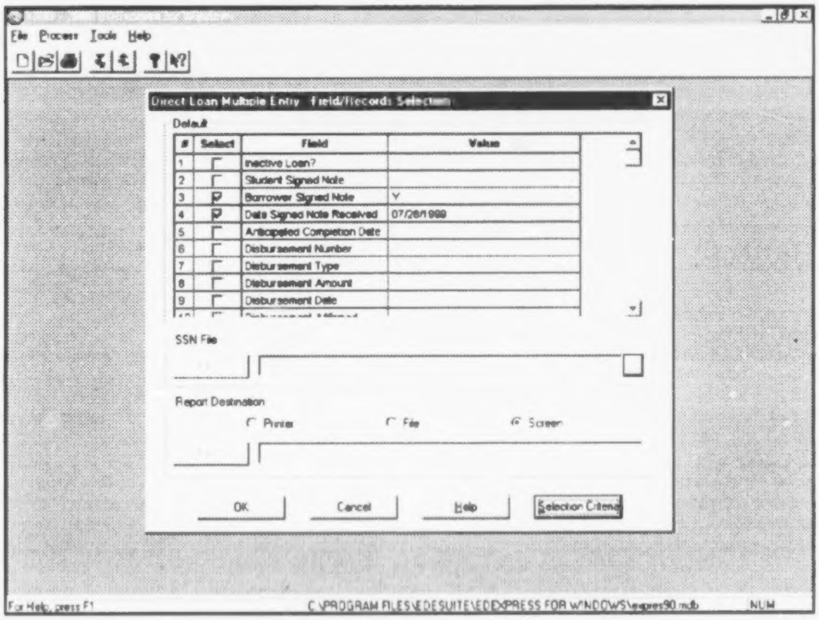
QUERY TITLE: PROMISSORY NOTE STATUS

This parameter query allows you to access records from the database based on values that you specify. Please fill in values (parameters) for the following fields:

Field Name	Operator	Field Value
PROM NOTE STATUS	=	P

OK
Cancel
Help
Value Help
View Query
File Process Tools Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

*Click **OK.***



Direct Loan Multiple Entry - Field/Records Selection

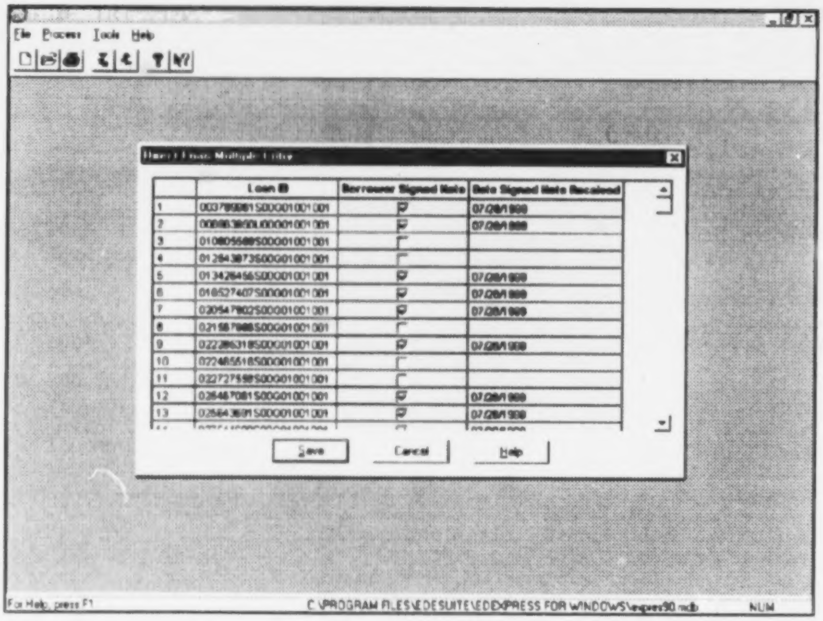
Default

#	Select	Field	Value
1	☐	Inactive Loan?	
2	☐	Student Signed Note	
3	☑	Borrower Signed Note	Y
4	☑	Date Signed Note Received	07/28/1998
5	☐	Anticipated Completion Date	
6	☐	Disbursement Number	
7	☐	Disbursement Type	
8	☐	Disbursement Amount	
9	☐	Disbursement Date	

SSN File

Report Destination: ○ Printer ○ File ● Screen

OK
Cancel
Help
Selection Criteria
File Process Tools Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM



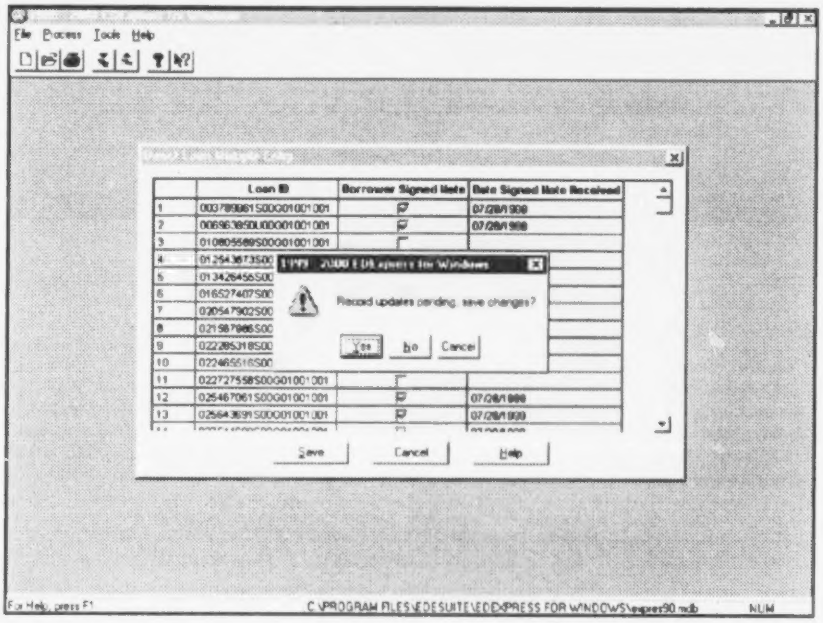
Direct Loan Multiple Entry

	Loan ID	Borrower Signed Note	Date Signed Note Received
1	003789061S00G01001001	☑	07/28/1999
2	006963850U00G01001001	☑	07/28/1999
3	010805589S00G01001001	☐	
4	012543873S00G01001001	☐	
5	013426456S00G01001001	☑	07/28/1999
6	016527407S00G01001001	☑	07/28/1999
7	020547902S00G01001001	☑	07/28/1999
8	021587986S00G01001001	☐	
9	022285318S00G01001001	☑	07/28/1999
10	022465516S00G01001001	☐	
11	022727558S00G01001001	☐	
12	025467061S00G01001001	☑	07/28/1999
13	025643691S00G01001001	☑	07/28/1999

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

All the records that appear are selected. If a record should not be included click the ***Borrower Signed Note*** *checkbox to remove the check mark.*

Click ***Save*** *when finished.*



	Loan ID	Borrower Signed Note	Date Signed Note Received
1	003789061S00G01001001	☑	07/28/1999
2	006963850U00G01001001	☑	07/28/1999
3	010805589S00G01001001	☐	
4	012543873S00		
5	013426456S00		
6	016527407S00		
7	020547902S00		
8	021587986S00		
9	022285318S00		
10	022465516S00		
11	022727558S00G01001001	☐	
12	025467061S00G01001001	☑	07/28/1999
13	025643691S00G01001001	☑	07/28/1999

1999 - 2000 EDExpress for Windows

Record updates pending, save changes?

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click ***Yes*** *to save.*

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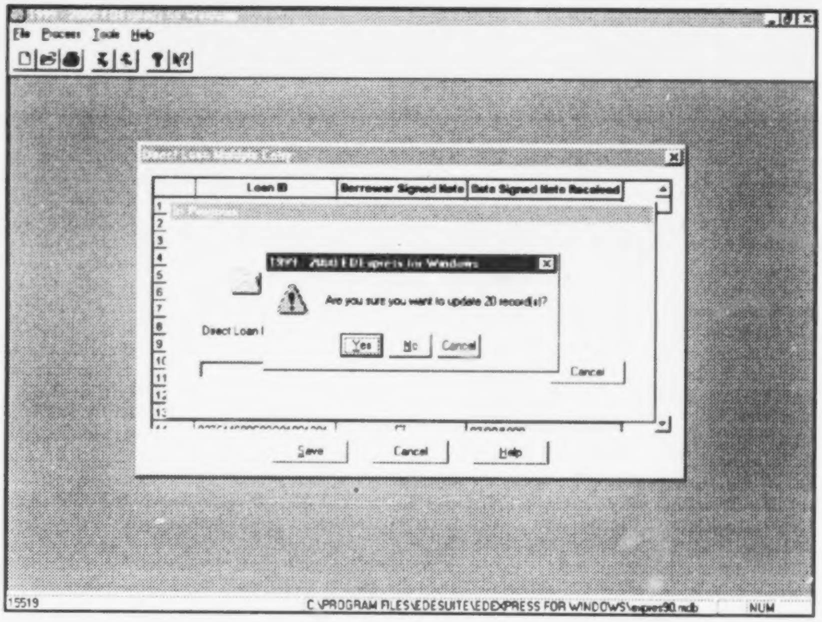
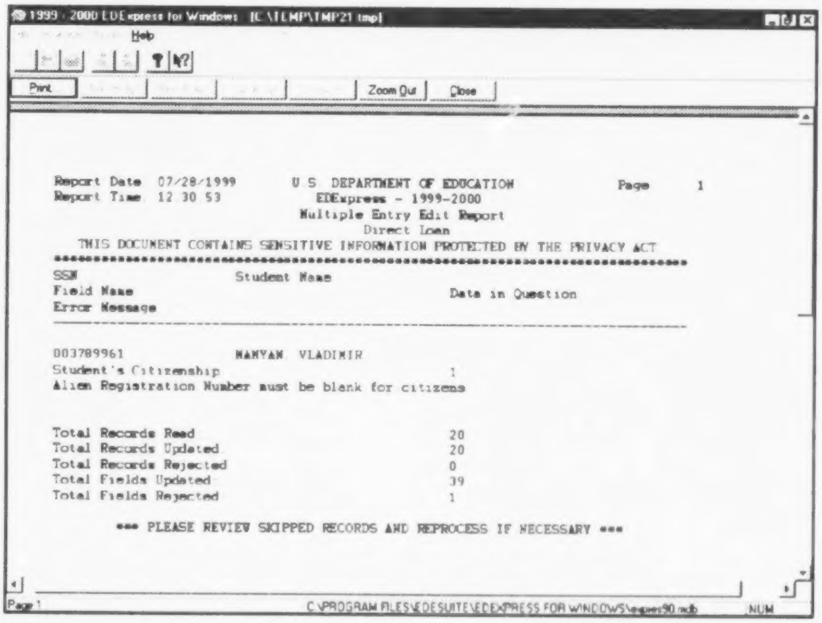
*Click **Yes** to verify that you want to make the updates.*


File Process Tools Help
Loan ID
Borrower Signed Note
Date Signed Note Received
1999 - 2000 EDExpress for Windows
Yes
No
Cancel
Direct Loan I
Cancel
Save
Cancel
Help
15519
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Are you sure you want to update 20 record(s)?

The edit report indicates that all but one of the records were updated.

If you select records that are not ready to have a promissory note signed entry, e.g. if a promissory note has not been printed yet, the attempt appears as a rejection on the report.

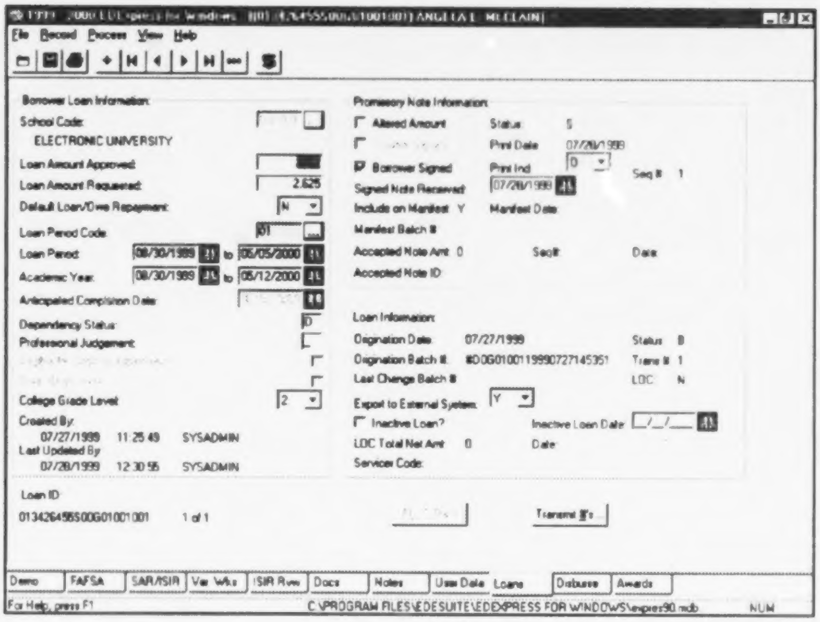

Help
Print
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

```
Report Date  07/28/1999        U S  DEPARTMENT OF EDUCATION          Page     1
Report Time  12 30 53              EDExpress - 1999-2000
                                 Multiple Entry Edit Report
                                         Direct Loan
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
SSN                  Student Name
Field Name                                           Data in Question
Error Message
--------------------------------------------------------------------------------

003789961            MANYAN  VLADIMIR
Student's Citizenship                                1
Alien Registration Number must be blank for citizens


Total Records Read                                   20
Total Records Updated                                20
Total Records Rejected                               0
Total Fields Updated                                 39
Total Fields Rejected                                1

        *** PLEASE REVIEW SKIPPED RECORDS AND REPROCESS IF NECESSARY ***
```


File Record Process View Help
Demo FAFSA SAR/ISIR Ver Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards
Transmit #'s...
For Help, press F1
NUM

Borrower Loan Information:
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved:
Loan Amount Requested: 2,625
Default Loan/Owe Repayment: N
Loan Period Code: 01
Loan Period: 08/30/1999 to 05/05/2000
Academic Year: 08/30/1999 to 05/12/2000
Anticipated Completion Date:
Dependency Status: D
Professional Judgement:
College Grade Level: 2
Created By:
07/27/1999 11:25:49 SYSADMIN
Last Updated By:
07/28/1999 12:30:55 SYSADMIN

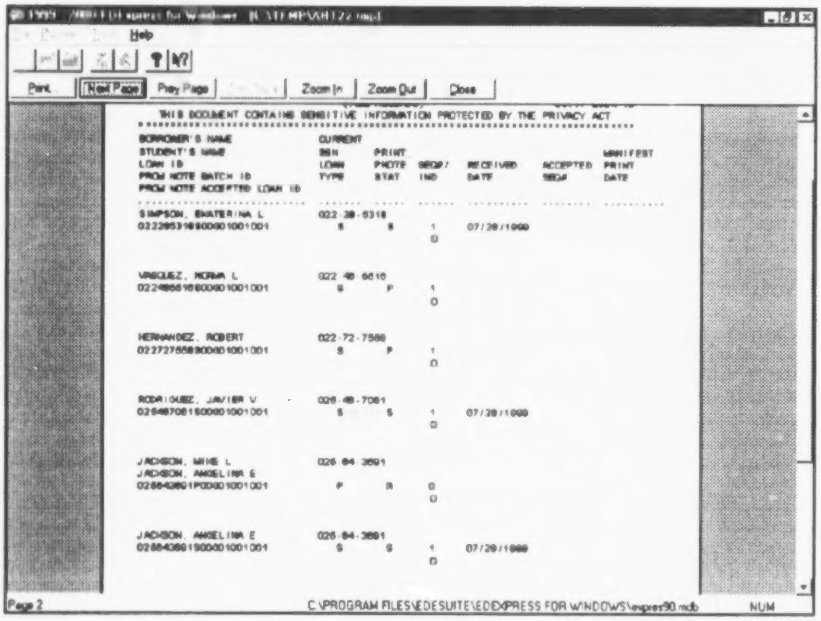
Loan ID:
013426456S00G01001001 1 of 1

Promissory Note Information:
☐ Altered Amount Status: S
☐ Print Date: 07/28/1999
☑ Borrower Signed Print Ind: 0 Seq #: 1
Signed Note Received: 07/28/1999
Include on Manifest: Y Manifest Date:
Manifest Batch #:
Accepted Note Amt: 0 Seq#: Date:
Accepted Note ID:

Loan Information:
Origination Date: 07/27/1999 Status: B
Origination Batch #: #D0G0100119990727145351 Trans #: 1
Last Change Batch #: LOC: N
Export to External System: Y
☐ Inactive Loan? Inactive Loan Date: __/__/____
LOC Total Net Amt: 0 Date:
Servicer Code:

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

To review the updates, open a loan record.



```
     THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
***********************************************************************************
BORROWER'S NAME              CURRENT
STUDENT'S NAME               SSN     PRINT                                   MANIFEST
LOAN ID                      LOAN    PNOTE   SEQ#/   RECEIVED    ACCEPTED    PRINT
PROM NOTE BATCH ID           TYPE    STAT    IND     DATE        SEQ#        DATE
PROM NOTE ACCEPTED LOAN ID
---------------------------  ------- -----  ------  ----------  ---------  ----------
SIMPSON, EKATERINA L         022-28-5318
022285318S00G01001001          S       S       1     07/28/1999
                                               D

VASQUEZ, NORMA L             022-48-6610
022486610S00G01001001          S       P       1
                                               D

HERNANDEZ, ROBERT            022-72-7568
022727568S00G01001001          S       P       1
                                               D

RODRIGUEZ, JAVIER V          026-48-7081
026487081S00G01001001          S       S       1     07/28/1999
                                               D

JACKSON, MIKE L              026-84-3891
JACKSON, ANGELINA E
026843891P00G01001001          P       R       0
                                               D

JACKSON, ANGELINA E          026-84-3891
026843891S00G01001001          S       S       1     07/28/1999
                                               D
```

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

*Print another **Prom Note** list to see the status of all the records updated.*

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Sending Promissory Notes and the Shipping Manifest to the Loan Origination Center

Schools using Origination Options 1 and 2 send the promissory notes to the LOC. Borrowers attending schools which use the Standard origination option send their notes directly to the LOC:

For Regular Mail:
U.S. Department of Education
Loan Origination Center
P.O. Box 5692
Montgomery, AL 36103-5692

For Overnight Mail:
U.S. Department of Education
Loan Origination Center
474 South Court Street, Suite 500
Montgomery, AL 36104

Option 1 and 2 schools are strongly encouraged to submit promissory notes as soon as possible following receipt of the note from the borrower. However, schools that originate loans are required by regulations to submit the promissory note, loan origination record, and initial and subsequent disbursement records no later than 30 days following the date of the initial and each subsequent disbursement.

Establishing a regular schedule for submitting promissory notes makes the reconciliation process (discussed in detail in Chapter 9) more manageable and efficient.

Note:

It is to the school's advantage to submit promissory notes on a more frequent schedule because the school retains liability for the loan until the promissory note is accepted by the LOC.

Schools are not required to keep a copy of the promissory note. However, they may want to do so until the note is accepted by the LOC.

For Standard origination schools, promissory notes are sent directly to the LOC by the borrower. Promissory notes have to be received and loan origination records accepted by the LOC prior to disbursement.

There are no specific school security requirements for Direct Loan promissory notes, but a school must safeguard all promissory notes in its possession. Schools should also be aware that frequent note submission to the LOC minimizes the possibility of lost notes and the potential for financial exposure.

The Promissory Note Manifest

The promissory note manifest is a paper list to accompany the notes. There is no electronic manifest. Use the export command to generate a manifest every time you mail notes to the LOC.

Similar to other export files that go to the LOC, the manifest is assigned a batch ID number. The batch ID is tracked in the batch activity database and on each loan record that was included in the particular manifest batch.

NEW! Batch Size

EDExpress generates manifest batches with no more than 100 records per manifest. This makes it easier to work through promissory notes and keep them in order for both you and the LOC. If you have more than 100 promissory notes recorded as signed and available to print on a manifest, EDExpress generates the multiple batches automatically. For example, if you have 200 promissory notes recorded in EDExpress as signed and available to ship to the LOC, two batches are generated. Each group of 100 records will have a unique Batch ID.

Exporting Stafford Manifest

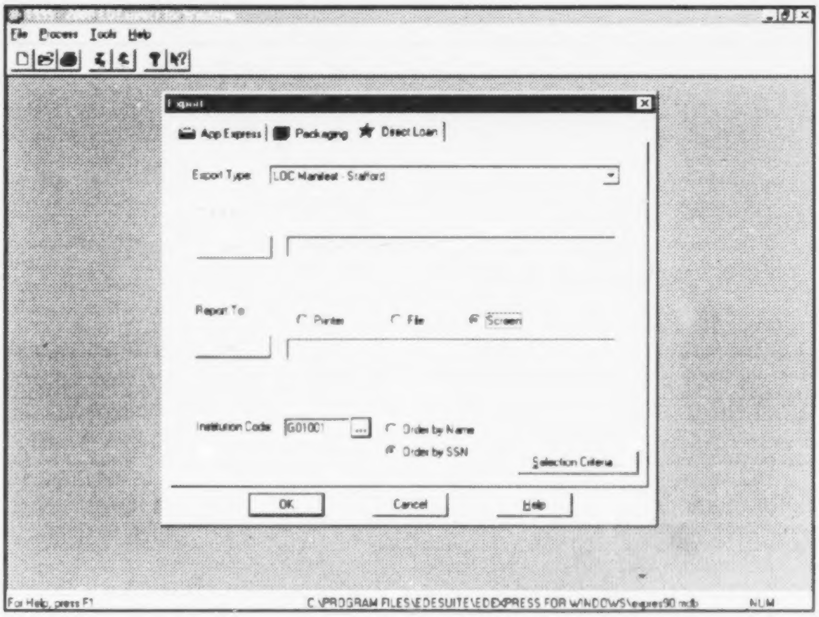
*Select **File/Export** from the menu or click the* ⇐ *button.*

*Click the **Direct Loan** tab.*

*Select as the export type: **LOC Manifest-Stafford**.*

*Click **Screen**.*

*Click **OK**.*


File
Process
Tools
Help
Export
App Express
Packaging
Direct Loan
Selection Criteria
OK
Cancel
Help
For Help, press F1
NUM

Export Type: LOC Manifest - Stafford

Report To: ○ Printer ○ File ● Screen

Institution Code: G01001

○ Order by Name
● Order by SSN

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Tip:

You must route the paper manifest to a printer or file.

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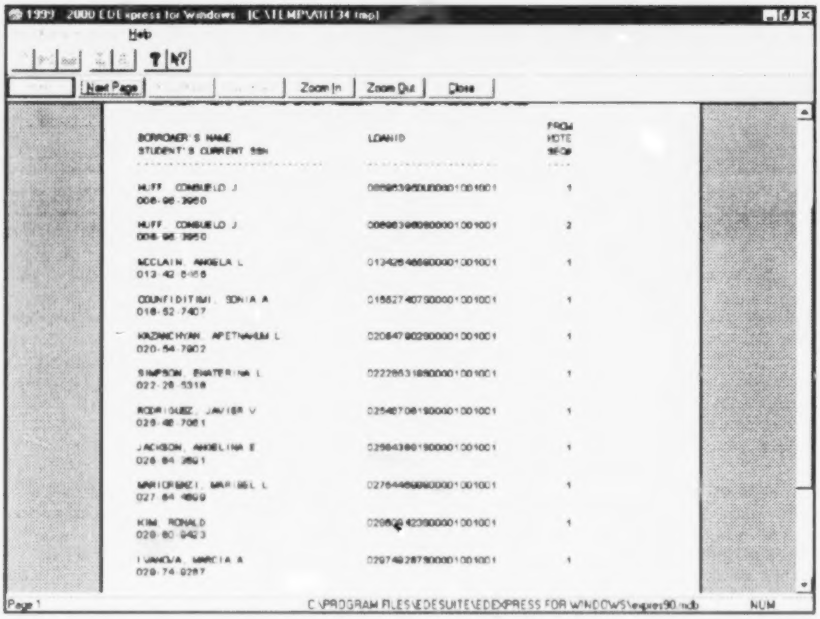
1999 2000 EDExpress for Windows [C:\TEMP\AH134.tmp]
Help
Next Page
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

```
                                                                 FROM
BORROWER'S NAME                      LOAN ID                     NOTE
STUDENT'S CURRENT SSN                                            SEQ#
-------------------------------      ----------------------      ----

HUFF, CONSUELO J                     008963960U00001001001          1
008-96-3960

HUFF, CONSUELO J                     008963960S00001001001          2
008-96-3960

MCCLAIN, ANGELA L                    013428468S00001001001          1
013-42-8468

COUNFIDITIMI, SONIA A                016527407900001001001          1
016-52-7407

KAZANCHYAN, APETNAHUM L              020547802900001001001          1
020-54-7802

SIMPSON, EKATERINA L                 022285318900001001001          1
022-28-5318

RODRIGUEZ, JAVIER V                  025487081900001001001          1
025-48-7081

JACKSON, ANGELINA E                  025843801900001001001          1
025-84-3801

MARIOPENZI, MARIBEL L                027644689S00001001001          1
027-64-4689

KIM, RONALD                          028608423900001001001          1
028-60-8423

IVANOVA, MARCIA A                    029749287900001001001          1
029-74-9287
```

The printed manifest lists all the loans included.

If you print to file or to a printer, an Export Statistics box displays the batch ID and the number of records included in the electronic file.

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Exporting PLUS Manifest

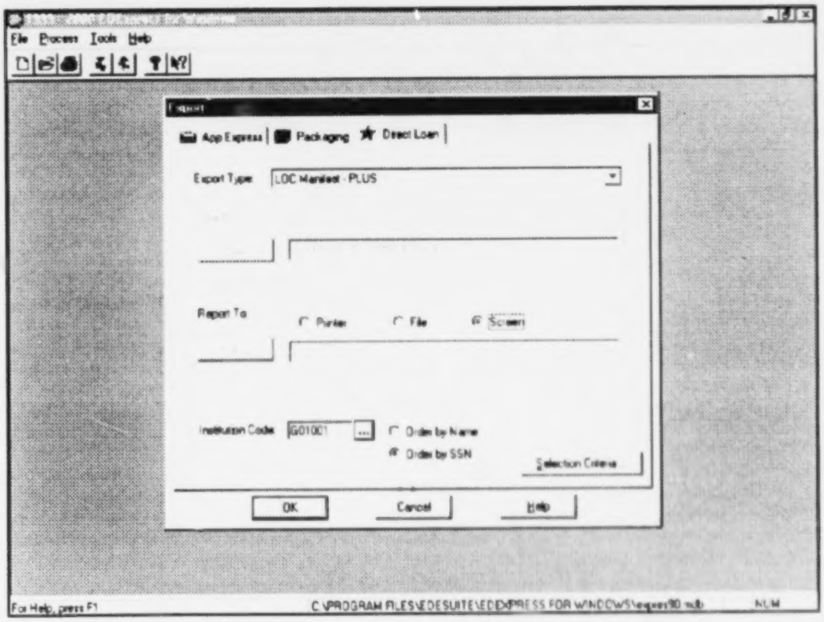
*Select **File/Export** from the menu or click the ⇪ button.*

*Click **Direct Loan**.*

*Select as the export type: **LOC Manifest-PLUS**.*

*Click **Screen**.*

*Click **OK**.*



Export Type: LOC Manifest - PLUS

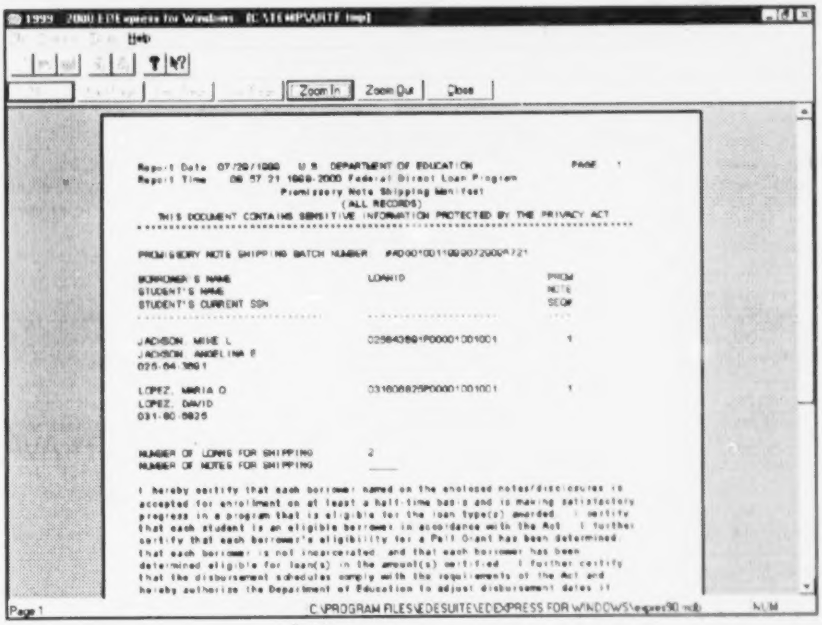
Report To: ○ Printer ○ File ● Screen

Institution Code: G01001

○ Order by Name
● Order by SSN

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

As with the printed Stafford manifest, all loans included are listed.



```
Report Date  07/20/1999   U.S. DEPARTMENT OF EDUCATION                PAGE  1
Report Time    09 57 21 1999-2000 Federal Direct Loan Program
                      Promissory Note Shipping Manifest
                               (ALL RECORDS)
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
**************************************************************************

PROMISSORY NOTE SHIPPING BATCH NUMBER   #[illegible]

BORROWER'S NAME                       LOANID                        PROM
STUDENT'S NAME                                                      NOTE
STUDENT'S CURRENT SSN                                               SEQ#
------------------------------        ----------------------        ----

JACKSON, MIKE L                       025843891P00001001001            1
JACKSON, ANGELINA F
025-04-3891

LOPEZ, MARIA O                        031808825P00001001001            1
LOPEZ, DAVID
031-80-8825


NUMBER OF LOANS FOR SHIPPING          2
NUMBER OF NOTES FOR SHIPPING          ____

I hereby certify that each borrower named on the enclosed notes/disclosures is
accepted for enrollment on at least a half-time basis and is making satisfactory
progress in a program that is eligible for the loan type(s) awarded.  I certify
that each student is an eligible borrower in accordance with the Act.  I further
certify that each borrower's eligibility for a Pell Grant has been determined,
that each borrower is not incarcerated, and that each borrower has been
determined eligible for loan(s) in the amount(s) certified.  I further certify
that the disbursement schedules comply with the requirements of the Act and
hereby authorize the Department of Education to adjust disbursement dates if
```

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

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Loan Origination Center Response and Actions

- The LOC acknowledges receipt of the note within three business days. The LOC's acceptance of the note means that ED has taken responsibility for it and the school's liability for the note ends. To accept the note, the LOC must have the origination record in order to compare the data and make sure the data matches. The LOC will keep a promissory note on file for 90 days after the loan period ends without an associated loan origination record.
- The school's liability for drawdown of funds continues until the funds drawn down match booked loans and excess cash is returned.
- The school may retain or destroy its copies of accepted promissory notes.
- The LOC informs the school (via status codes in the software) of unacceptable or incomplete promissory notes within three business days of verifying receipt.
- If the school cannot correct the problem, the school contacts the borrower for resolution.
- If both the subsidized and unsubsidized loan origination records are accepted by the LOC at the time the MPN is processed, both loans are acknowledged on the Promissory Note Acknowledgement.
- If one of the Loan Origination Records is accepted by the LOC at the time the MPN is processed, only the accepted loan is acknowledged on the Promissory Note Acknowledgement. If the LOC subsequently accepts a second loan type, the subsequent loan origination acknowledgement informs the school that an accepted MPN is on file and a Promissory Note Acknowledgement is sent.

Loan Amount Requested

If you are using version 5.1 of EDExpress and the preprinted prom notes that include the line item # 8 for the borrower to write in the loan amount requested, the rules that follow will apply. This process will change with version 5.2 of EDExpress.

The Loan Amount Requested is the larger amount recorded at the LOC for a specific loan based on the lower of the loan amount approved by the school on the loan amount requested by the borrower in item #8 of the MPN.

-If the amount on the MPN is not altered by the borrower, the loan amount requested becomes the loan amount approved.

-When defining the individual subsidized and unsubsidized requested loan amount, the LOC first reduces the unsubsidized amount and then the subsidized amount.

Example 1

Borrower does not alter amount

Loan amount approved	2,000
Borrower enters amount	No
Loan amount requested	2,000

Example 2

Borrower alters amount

Loan amount approved	2,000
Borrower enters amount	1,000
Loan amount requested	1,000

Example 3

LOC reduces amount

Total loan amount approved	3,000
Subsidized amount	2,000
Unsubsidized amount	1,000
Borrower Enters amount	2,500
Loan amount requested	2,500

LOC changes to amounts

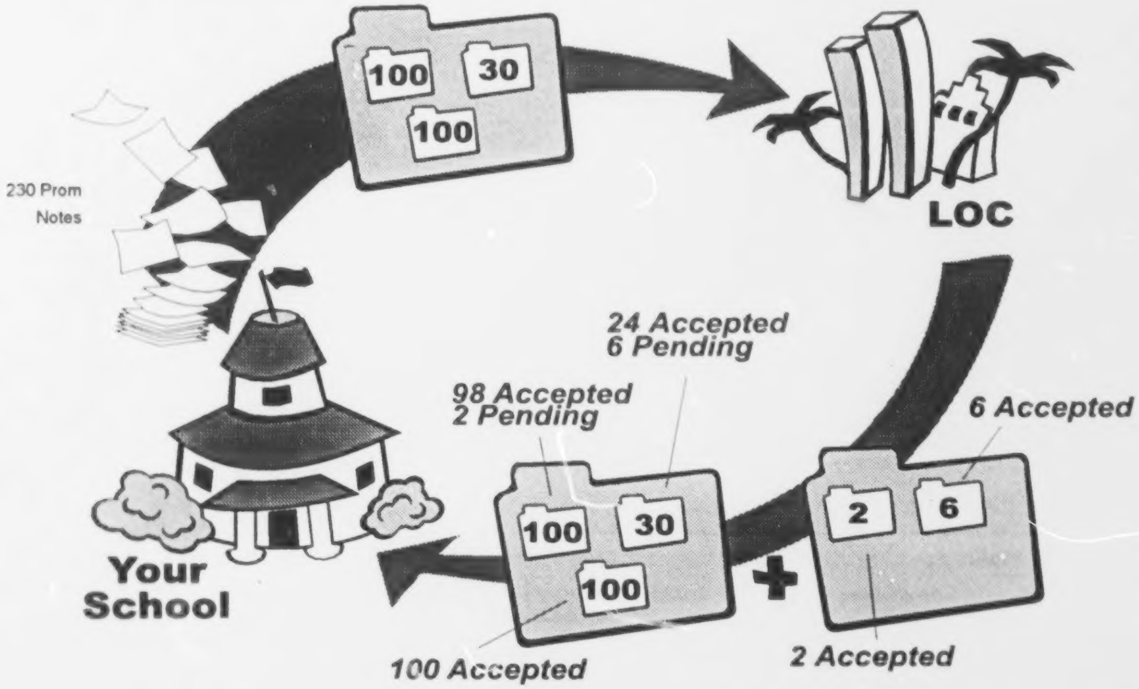
Subsidized amount	2,000
Unsubsidized amount	500
Loan amount requested	2,500

An Exception to the Batch Integrity Rule

The LOC's response to promissory note batches differs from that for other types of data. In most cases, the LOC sends an acknowledgement file containing an acceptance or rejection for each record in the corresponding export batch. Therefore, you receive one acknowledgement for each export file you create. This may not always be true for promissory notes.

In order to accept or reject a note, the LOC must compare the note with the loan origination record. If the LOC has not received the loan origination record, it will hold the promissory note until it receives the record or until 90 days after the end of the loan period, whichever comes first. In this case, the LOC sends you an acknowledgement file that contains the acceptances and rejections for as many notes as possible. This benefits your school because one note does not hold up a response to the rest of the batch. For any record that cannot be matched, a status code of "X" is returned. The promissory note status may be pending because the LOC has either not received the loan origination record or it is trying to resolve a problem with the physical promissory note. The same batch ID is used for all return acknowledgements. Subsequent promissory note acknowledgements follow as the LOC accepts or rejects the final notes in the batch.

In the example illustrated below, 230 promissory notes have been sent to the LOC. Because only 100 promissory notes are included on a manifest, 3 batches will be created. The LOC returns the identical number of groups, whether or not all of the records within it have been accepted or rejected. (Some may still be pending.) When this determination can be made, the formerly pending records are returned at a later date using the original batch ID and marked as either accepted or rejected.



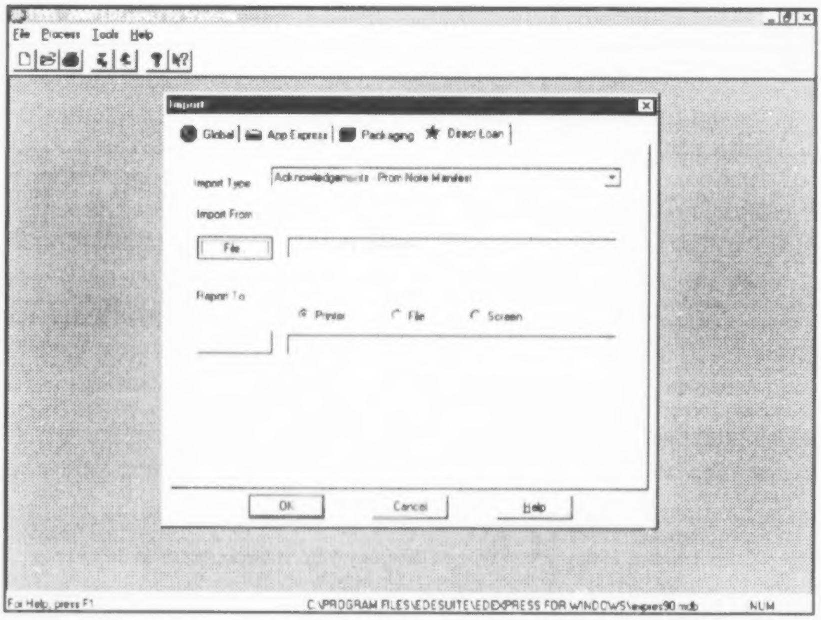
Importing Stafford Promissory Note Acknowledgements

*Select **File/Import** or click on the ⇩ button.*

*Click the **Direct Loan** tab.*

*Select as the import type: **Acknowledgements Prom Note Manifest**.*

*Click the **File...** button.*


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
File
OK
Cancel
Help

Import Type: Acknowledgements - Prom Note Manifest

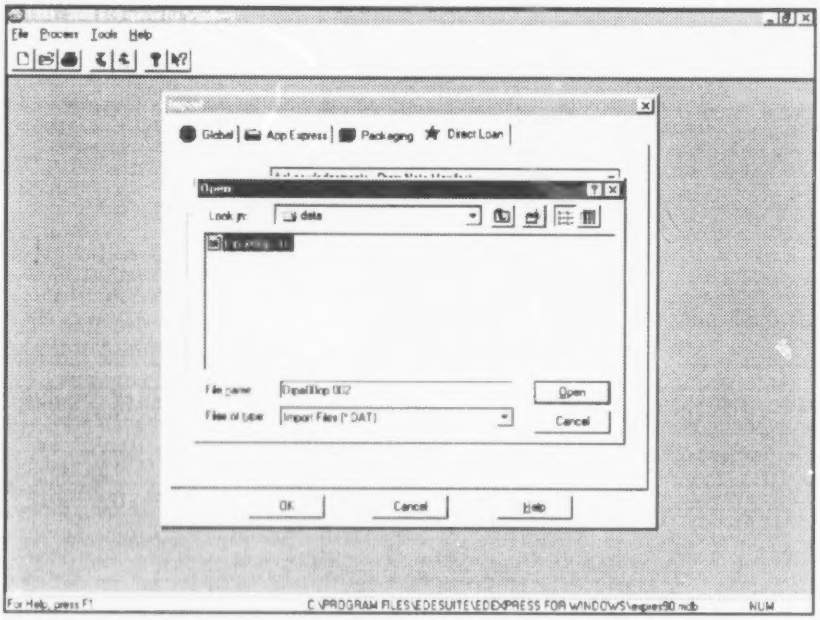
Import From

Report To: ● Printer ○ File ○ Screen

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

NUM


File Process Tools Help
Global
App Express
Packaging
Direct Loan
Open
Open
Cancel
OK
Cancel
Help

Look in: data

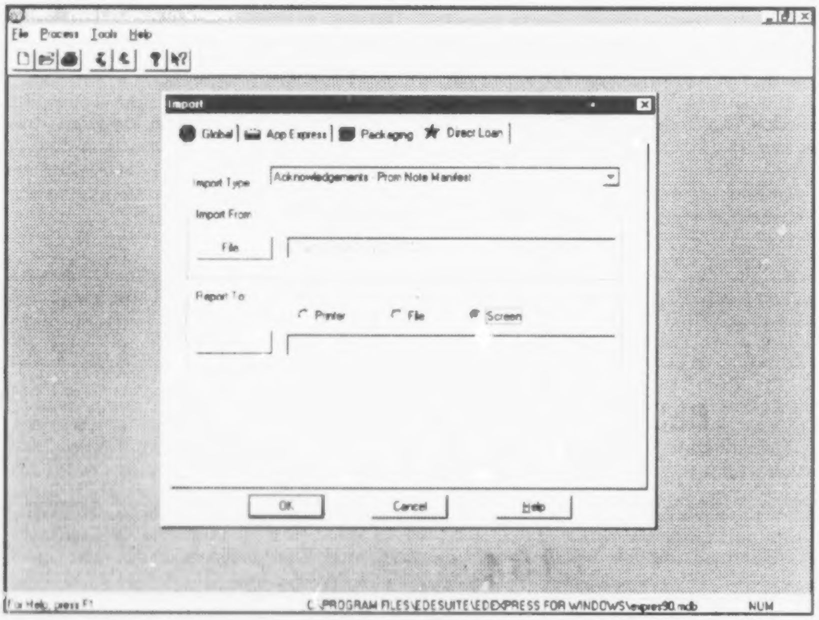
File name: Dipa00op.002

Files of type: Import Files (*.DAT)

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

Select the file ***Dipa00op.002.***

Click ***OK****.*


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
File
OK
Cancel
Help

Import Type: Acknowledgements - Prom Note Manifest

Import From

Report To: ○ Printer ○ File ● Screen

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb NUM

Click ***Screen****.*

Click ***OK****.*

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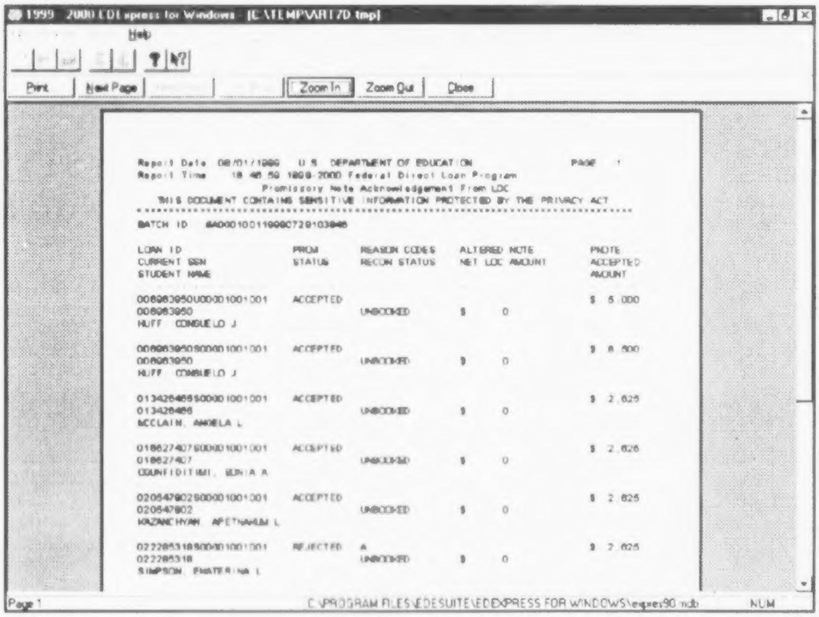
The Import Edit report lists each record and promissory note status. There is one rejected record in this batch. Since we have not disbursed funds, the records are not yet booked.


1999 2000 EDExpress for Windows - [C:\TEMP\ART7D.tmp]
Help
Print
Next Page
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

```
Report Date  08/01/1999    U.S. DEPARTMENT OF EDUCATION                PAGE   1
Report Time     18:46:59  1999-2000 Federal Direct Loan Program
                   Promissory Note Acknowledgement From LOC
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*****************************************************************************
BATCH ID   #A000100119990729103846

LOAN ID                  PROM       REASON CODES   ALTERED NOTE        PNOTE
CURRENT SSN              STATUS     RECON STATUS   NET LOC AMOUNT      ACCEPTED
STUDENT NAME                                                           AMOUNT

008983950U00001001001    ACCEPTED                                      $  5,000
008983950                           UNBOOKED       $      0
HUFF  CONSUELO J

008983950S00001001001    ACCEPTED                                      $  8,500
008983950                           UNBOOKED       $      0
HUFF  CONSUELO J

013426466S00001001001    ACCEPTED                                      $  2,625
013426466                           UNBOOKED       $      0
MCCLAIN, ANGELA L

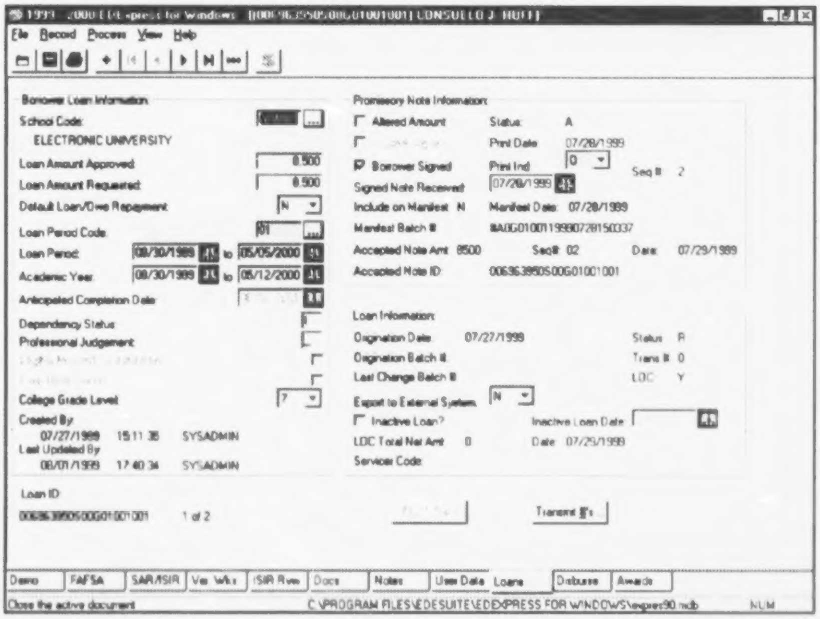
018627407S00001001001    ACCEPTED                                      $  2,625
018627407                           UNBOOKED       $      0
COUNFIDITIMI, EUNIA A

020547802S00001001001    ACCEPTED                                      $  2,625
020547802                           UNBOOKED       $      0
KAZANCHYAN  APETNAKUM L

022285318S00001001001    REJECTED   A                                  $  2,625
022285318                           UNBOOKED       $      0
SIMPSON, EKATERINA L
```

Booked Status

When a loan is booked and the promissory note and disbursement record match the origination record, the booked status for the loan is returned as accepted. Normally, the disbursement record is the component that causes the loan to be booked. At that time the acknowledgment for the disbursement not only contains the acceptance of the disbursement but also a booked status for the loan. If the promissory note causes the loan to be booked, the booked status will be returned in the promissory note acknowledgment.



File Record Process View Help

Borrower Loan Information
School Code:
ELECTRONIC UNIVERSITY
Loan Amount Approved 8,500
Loan Amount Requested 8,500
Default Loan/Owe Repayment N
Loan Period Code 01
Loan Period 08/30/1999 to 05/05/2000
Academic Year 08/30/1999 to 05/12/2000
Anticipated Completion Date
Dependency Status
Professional Judgement
College Grade Level 7
Created By
07/27/1999 15:11:35 SYSADMIN
Last Updated By
08/01/1999 17:40:34 SYSADMIN

Loan ID
00636395050OG01001001 1 of 2

Promissory Note Information:
☐ Altered Amount
Status: A
Print Date 07/28/1999
☑ Borrower Signed
Print Ind 0
Seq # 2
Signed Note Received 07/28/1999
Include on Manifest N
Manifest Date: 07/28/1999
Manifest Batch # #A0G01001199907281S0337
Accepted Note Amt 8500
Seq# 02
Date 07/29/1999
Accepted Note ID 006363950S00G01001001

Loan Information:
Origination Date 07/27/1999
Status R
Origination Batch #
Trans # 0
Last Change Batch #
LOC Y
Export to External System N
☐ Inactive Loan?
Inactive Loan Date
LOC Total Net Amt 0
Date 07/29/1999
Servicer Code

Transmit #'s
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Close the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Open a record to view the results. Since the promissory note for this loan record was accepted, the status is now ***A*** *and the accept date is 07/29/1999.*

Importing PLUS Promissory Note Acknowledgments

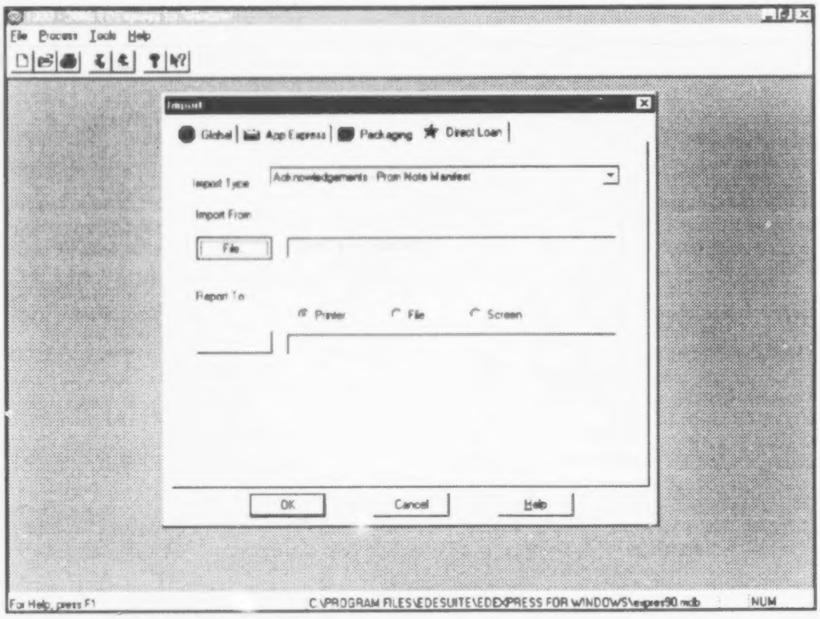
The process for importing PLUS promissory note acknowledgments is the same as for Stafford acknowledgements.

*Select **File/Import** or click on the ⤓ button.*

*Click the **Direct Loan** tab.*

*Select as the import type: **Acknowledgments Prom Note Manifest**.*

*Click the **File...** button.*


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
File
OK
Cancel
Help
NUM

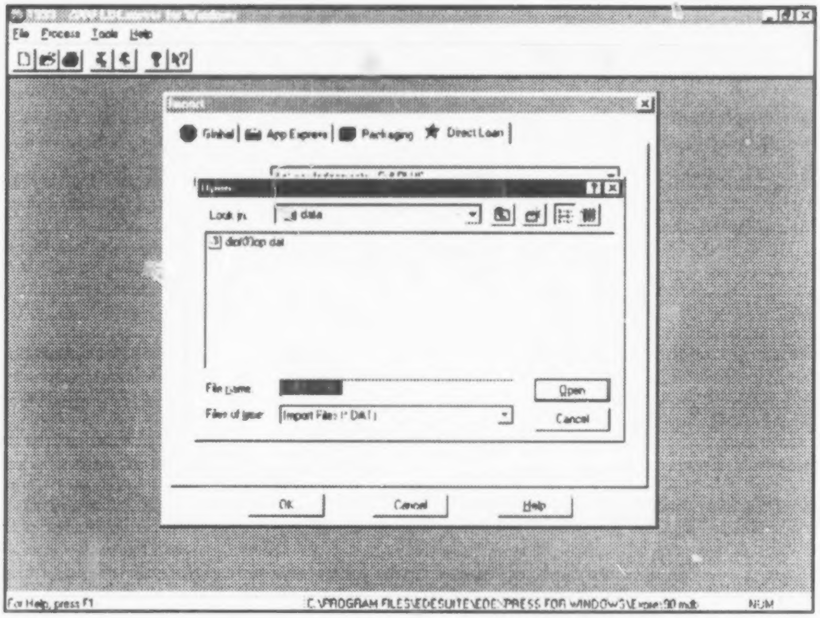
Import Type: Acknowledgements - Prom Note Manifest

Import From

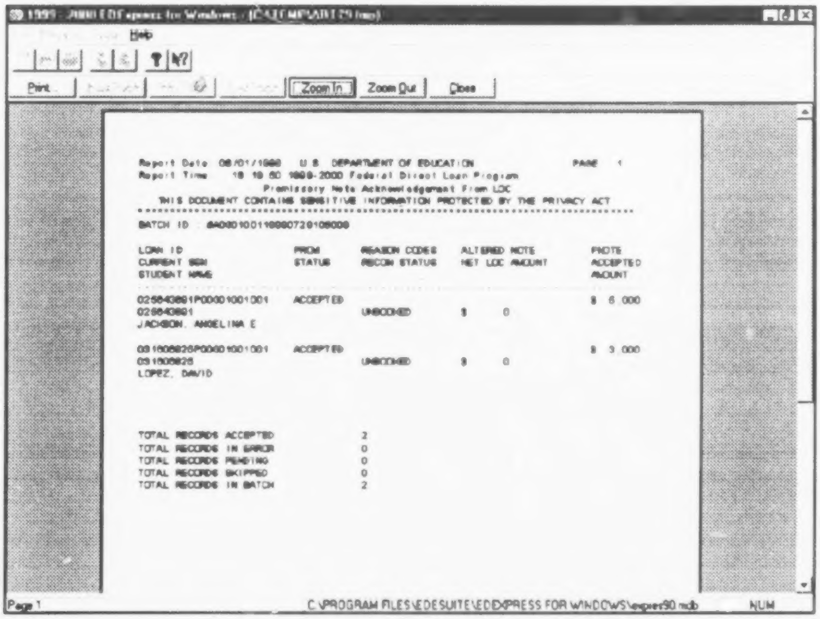
Report To: ● Printer ○ File ○ Screen

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Open
Look in: data
dipa00op.dat
File name:
Files of type: Import Files (*.DAT)
Open
Cancel
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expser90.mdb
NUM

Select the file ***Dipa00op.dat.***


1999 - 2000 EDExpress for Windows
Help
Print...
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expser90.mdb
NUM

```
Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION            PAGE  1
Report Time:   18 19 50 1999-2000 Federal Direct Loan Program
                  Promissory Note Acknowledgement From LOC
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*****************************************************************************
BATCH ID : #A00010011999072010900

LOAN ID                  PROM       REASON CODES     ALTERED NOTE        PROTE
CURRENT SSN              STATUS     RECON STATUS     NET LOC AMOUNT      ACCEPTED
STUDENT NAME                                                             AMOUNT
-----------------------------------------------------------------------------
025643691P00001001001    ACCEPTED                                        $  6,000
025643691                           UNBOOKED         $     0
JACKSON, ANGELINA E

031606826P00001001001    ACCEPTED                                        $  3,000
031606826                           UNBOOKED         $     0
LOPEZ, DAVID



TOTAL RECORDS ACCEPTED              2
TOTAL RECORDS IN ERROR              0
TOTAL RECORDS PENDING               0
TOTAL RECORDS SKIPPED               0
TOTAL RECORDS IN BATCH              2
```

Two PLUS loan records were accepted in this batch.

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Importing Subsequent Promissory Note Acknowledgments

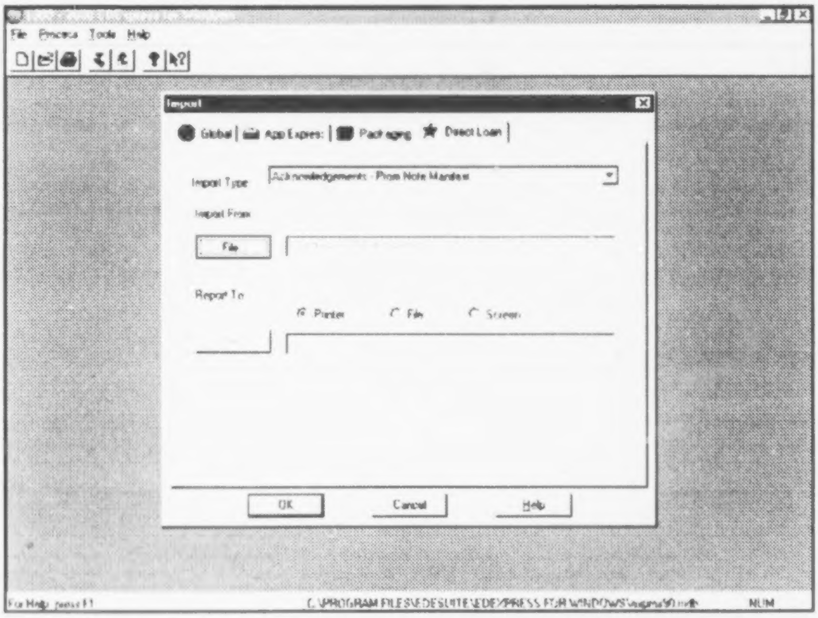
When the pending promissory notes can be accepted/rejected, the LOC sends a new acknowledgement file containing those records. The batch ID in the subsequent acknowledgement file is the same ID that was sent in the original promissory note manifest batch.

*Select **File/Import** or click on the* ⭳ *button.*

*Click the **Direct Loan** tab.*

*Select as the import type: **Acknowledgements Prom Note Manifest**.*

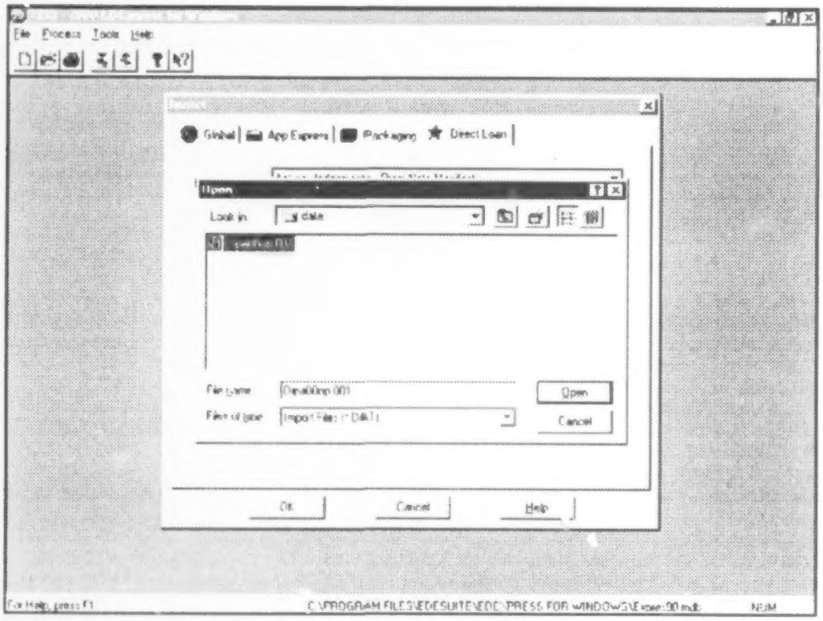
*Click the **File...** button.*


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Import From
File
OK
Cancel
Help
For Help, press F1
NUM

Import Type: Acknowledgements - Prom Note Manifest

Report To: ● Printer ○ File ○ Screen

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\


File Process Tools Help
Global
App Express
Packaging
Direct Loan
Open
Open
Cancel
OK
Cancel
Help
For Help, press F1
NUM

Look in: data

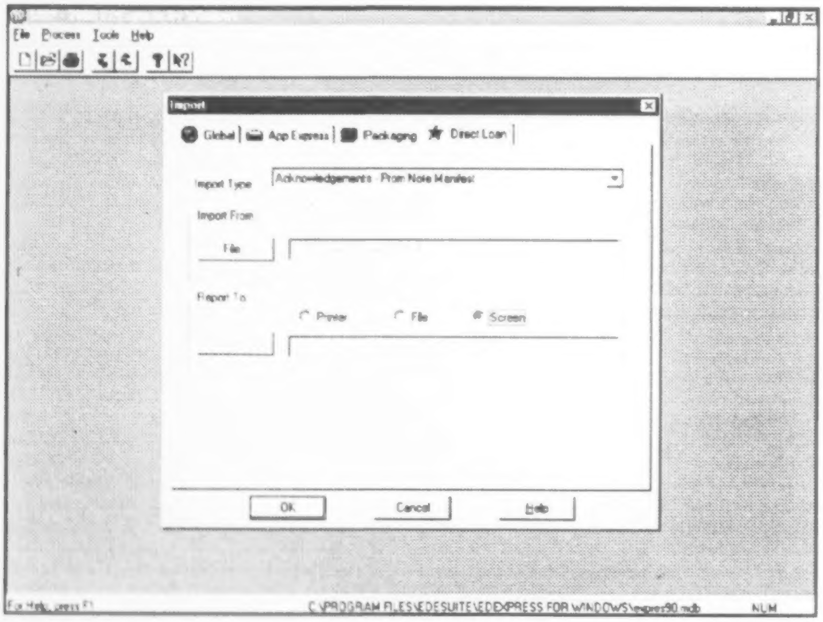
File name: Dipa00op.001

Files of type: Import Files (*.DAT)

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb

Select the file **Dipa00op.001.**

Click **OK**.


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
File
OK
Cancel
Help
For Help, press F1
NUM

Import Type: Acknowledgements - From Note Manifest

Import From

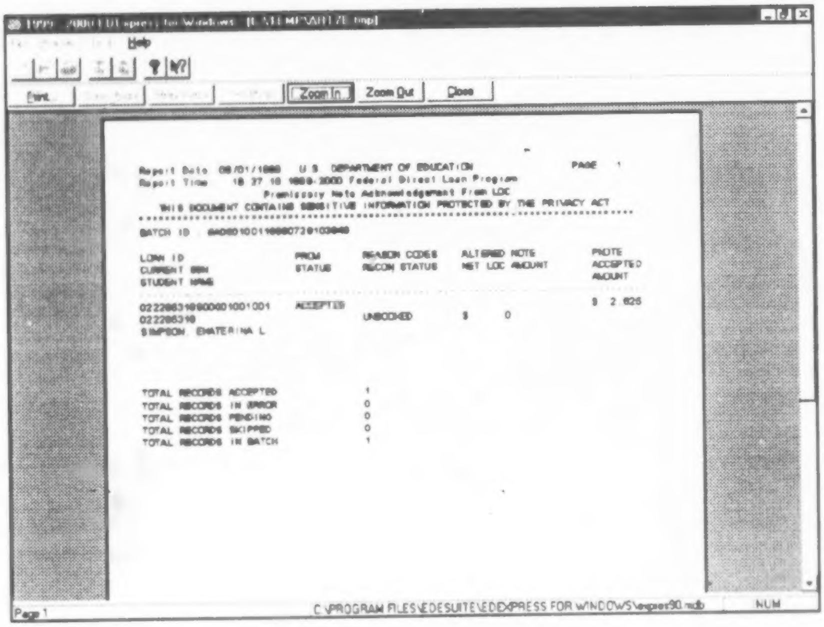
Report To: ○ Printer ○ File ● Screen

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb

Click **Screen**.

Click **OK**.

The Import Edit report now lists the promissory note as accepted.


1999 - 2000 EDExpress for Windows
Help
Print
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

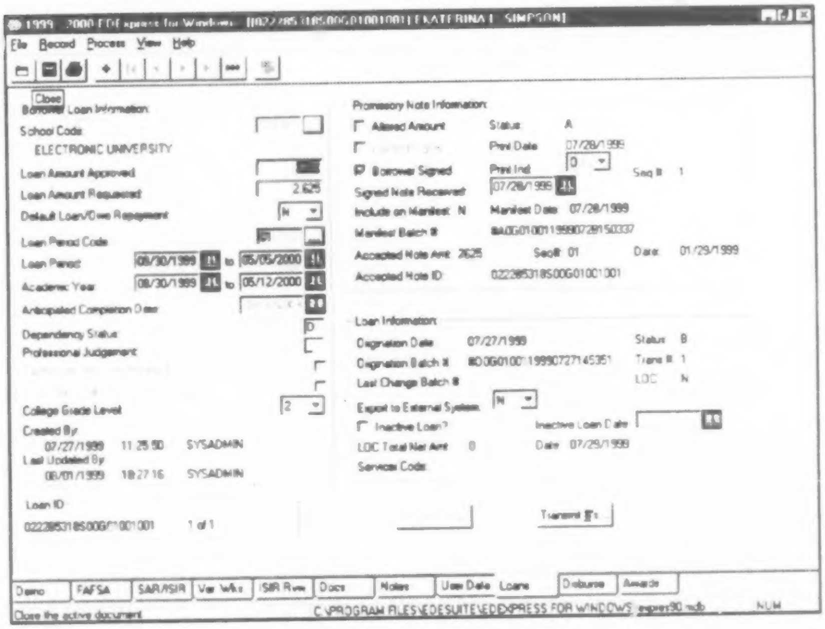
```
Report Date  08/01/1999    U.S. DEPARTMENT OF EDUCATION                    PAGE   1
Report Time   18 27 10  1999-2000 Federal Direct Loan Program
                   Promissory Note Acknowledgement From LOC
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : [illegible]

LOAN ID                     PROM      REASON CODES   ALTERED NOTE        PNOTE
CURRENT SSN                 STATUS    RECON STATUS   NET LOC AMOUNT      ACCEPTED
STUDENT NAME                                                             AMOUNT
--------------------------------------------------------------------------------
022285318S00G01001001       ACCEPTED                                     $  2,625
022285318                             UNBOOKED       $      0
SIMPSON, EKATERINA L


TOTAL RECORDS ACCEPTED                1
TOTAL RECORDS IN ERROR                0
TOTAL RECORDS PENDING                 0
TOTAL RECORDS SKIPPED                 0
TOTAL RECORDS IN BATCH                1
```

Open the record.

The promissory note status is now **A**.


1999 - 2000 EDExpress for Windows - [022285318S00G01001001 EKATERINA L SIMPSON]
File
Record
Process
View
Help
Close
Transmit IFs
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Close the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb
NUM

Borrower Loan Information:

School Code

ELECTRONIC UNIVERSITY

Loan Amount Approved

Loan Amount Requested 2,625

Default Loan/Owe Repayment N

Loan Period Code

Loan Period 08/30/1999 to 05/05/2000

Academic Year 08/30/1999 to 05/12/2000

Anticipated Completion Date

Dependency Status D

Professional Judgement

College Grade Level 2

Created By
07/27/1999 11:25:50 SYSADMIN

Last Updated By
08/01/1999 18:27:16 SYSADMIN

Loan ID
022285318S00G01001001 1 of 1

Promissory Note Information:

☐ Altered Amount

Status A

Print Date 07/28/1999

☑ Borrower Signed

Print Ind 0

Seq # 1

Signed Note Received 07/28/1999

Include on Manifest N

Manifest Date 07/28/1999

Manifest Batch # #A0G01001199907281 50337

Accepted Note Amt 2625

Seq# 01

Date 01/29/1999

Accepted Note ID 022285318S00G01001001

Loan Information:

Origination Date 07/27/1999

Status B

Origination Batch # #D0G01001199907271 45351

Trans # 1

Last Change Batch #

LOC N

Export to External System N

☐ Inactive Loan?

Inactive Loan Date

LOC Total Net Amt 0

Date 07/29/1999

Servicer Code

Handling Rejected Promissory Notes

When you import the promissory note acknowledgement file, the report indicates any rejected notes. If a note is rejected, it is mailed back to you with a paper manifest. Promissory note rejections can be avoided by screening your notes before you send them to the LOC for valid signatures, etc.

The promissory note information panel is updated for rejected notes. The status equals **E**, the signed and received fields reset to No and blank, and the manifest fields reset to No and blank.

The LOC will either accept, reject or place the prom note in a pending status. If the prom note is not accepted, a code will be returned in the acknowledgement file to indicate the reason for the reject or pending status. All reject codes can be found in the Direct Loan Technical Reference.

Rejected prom note

If the prom note is rejected, a new promissory note must be printed with corrected data and submitted to the LOC. Reasons for rejection are:

- Promissory note text or signature altered
- Signed date on promissory note after expiration date on form
- Promissory note marked "copy" or "non-negotiable"
- Citizenship marked as an ineligible non-citizen
- Incomplete prom note

The LOC will return incomplete prom notes to the school. The promissory note can be reprinted, or corrections can be made and initialed on the original note.

Pending prom note

The LOC will hold a prom note if the origination record is missing or if the note is under review. No action by the school is required on the note. Once the origination record is received, the LOC will acknowledge the prom note in a subsequent batch.

Tip:

If you do not need to resend a promissory note to the LOC but would like to print another copy of a note for a student or your records, check the non-negotiable option in the print dialog box. When this option is checked, no database updates occur and the note cannot be attached to a manifest.

When a New Master Promissory Note is Required

For 1999-2000 a new Master Promissory Note (MPN) is required in the following situations:

1. The student transfers to or enrolls in another school.

2. The school will make more than four separate disbursements for single loan type (subsidized or unsubsidized).

3. The student becomes eligible for a second annual loan because the student has completed one full academic year and is beginning a second academic year.

4. The borrower enters an amount in item #8 of the MPN and subsequently requests additional funds greater than the amount of the accepted promissory note (Current process using version 5.1 of EDExpress).

A school may handle the situation described in number 4 in one of the following two ways:

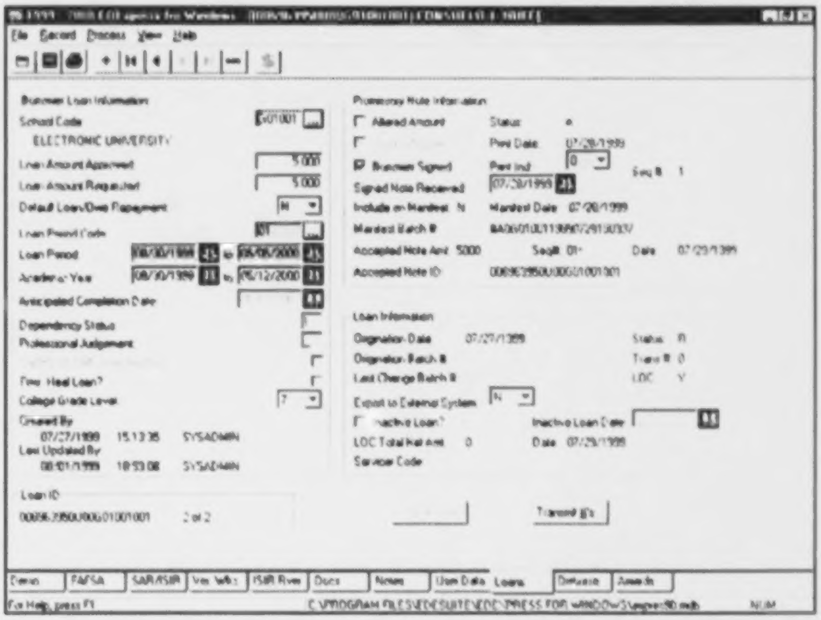
- A new MPN must be printed, signed, and accepted for additional funds for which the student is eligible.
- A change record to increase the loan amount approved on the existing loan can be sent to the LOC and then a "replacement" MPN (using the original MPN ID) would need to be printed and signed by the student for the additional funds.

Note:

These activities must be sent to the LOC in this order or the change record rejects at the LOC.

Increasing the Loan Amount

If, for some reason, borrowers ask to have their loan amount increased and they are eligible for more money, you must modify the loan amount approved.

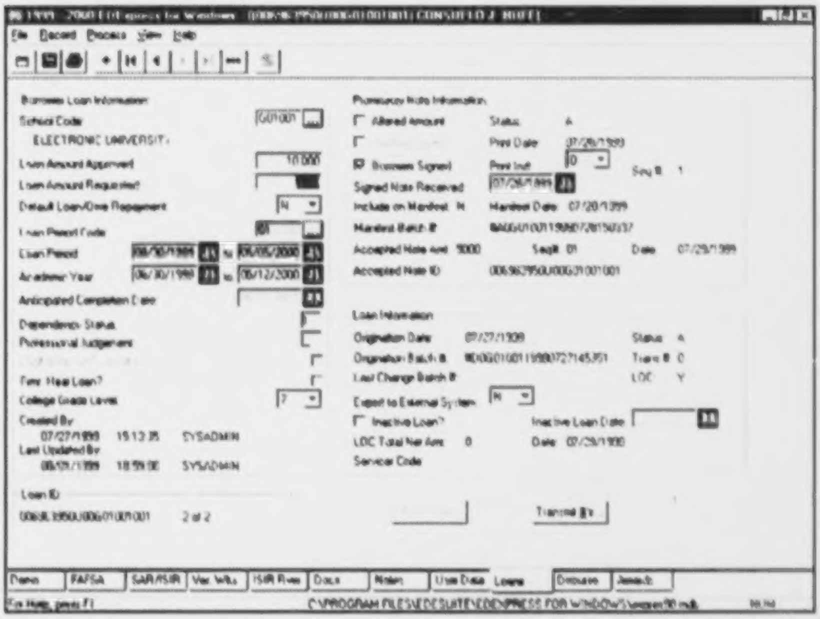

File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit IDs
For Help, press F1
NUM

Borrower Loan Information
School Code G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved 5000
Loan Amount Requested 5000
Default Loan/Owe Repayment N
Loan Period Code 01
Academic Year 08/30/1999 to 05/12/2000
Anticipated Completion Date
Dependency Status ☐
Professional Judgement ☐
Fins. Heal Loan? ☐
College Grade Level 7
Created By 07/27/1999 15:13:35 SYSADMIN
Last Updated By 08/01/1999 18:53:08 SYSADMIN
Loan ID 2 of 2

Promissory Note Information
☐ Altered Amount
Status A
Print Date 07/28/1999
☑ Borrower Signed
Print Ind 0
Seq # 1
Signed Note Received 07/28/1999
Include on Manifest N
Manifest Date 07/28/1999
Accepted Note Amt 5000
Seq# 01
Date 07/29/1999

Loan Information
Origination Date 07/27/1999
Status R
Trans # 0
LOC Y
Export to External System N
☐ Inactive Loan?
Inactive Loan Date
LOC Total Net Amt 0
Date 07/29/1999
Servicer Code

Type in the new amount of $10,000 in the Loan Amount Approved and the Loan Amount Requested fields.


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit IDs
For Help, press F1
NUM

Borrower Loan Information
School Code G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved 10000
Loan Amount Requested
Default Loan/Owe Repayment N
Loan Period Code 01
Academic Year 08/30/1999 to 05/12/2000
Anticipated Completion Date
Dependency Status ☐
Professional Judgement ☐
Fins. Heal Loan? ☐
College Grade Level 7
Created By 07/27/1999 15:13:35 SYSADMIN
Last Updated By 08/01/1999 18:59:00 SYSADMIN
Loan ID 2 of 2

Promissory Note Information
☐ Altered Amount
Status A
Print Date 07/28/1999
☑ Borrower Signed
Print Ind 0
Seq # 1
Signed Note Received 07/28/1999
Include on Manifest N
Manifest Date 07/28/1999
Accepted Note Amt 5000
Seq# 01
Date 07/29/1999

Loan Information
Origination Date 07/27/1999
Status A
Trans # 0
LOC Y
Export to External System N
☐ Inactive Loan?
Inactive Loan Date
LOC Total Net Amt 0
Date 07/29/1999
Servicer Code

Note the status information for this record. Prom Note = ***A****, Loan =* ***A****.*

Select ***File/Save*** *or click the* ▣ *button to save the changes.*

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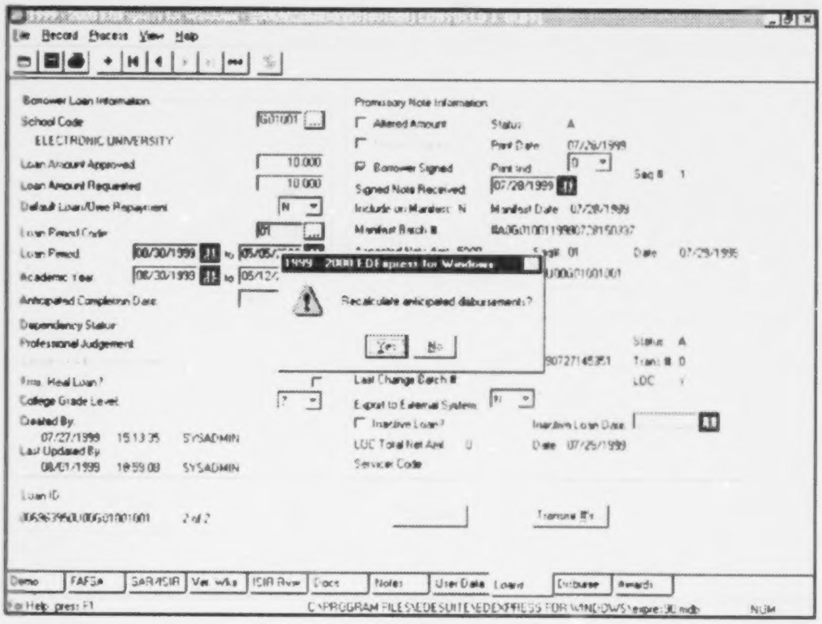
Click ***Yes*** *to recalculate the anticipated disbursements.*


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver. wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit IFs
Yes
No
NUM

Borrower Loan Information
School Code G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved 10,000
Loan Amount Requested 10,000
Default Loan/Owe Repayment N
Loan Period Code 01
Loan Period 08/30/1999 to 05/05/
Academic Year 08/30/1999 to 05/12/
Anticipated Completion Date
Dependency Status
Professional Judgement
Fins. Heal Loan?
College Grade Level 7
Created By
07/27/1999 15:13:35 SYSADMIN
Last Updated By
08/01/1999 18:59:08 SYSADMIN
Loan ID
006963950U00G01001001 2 of 2

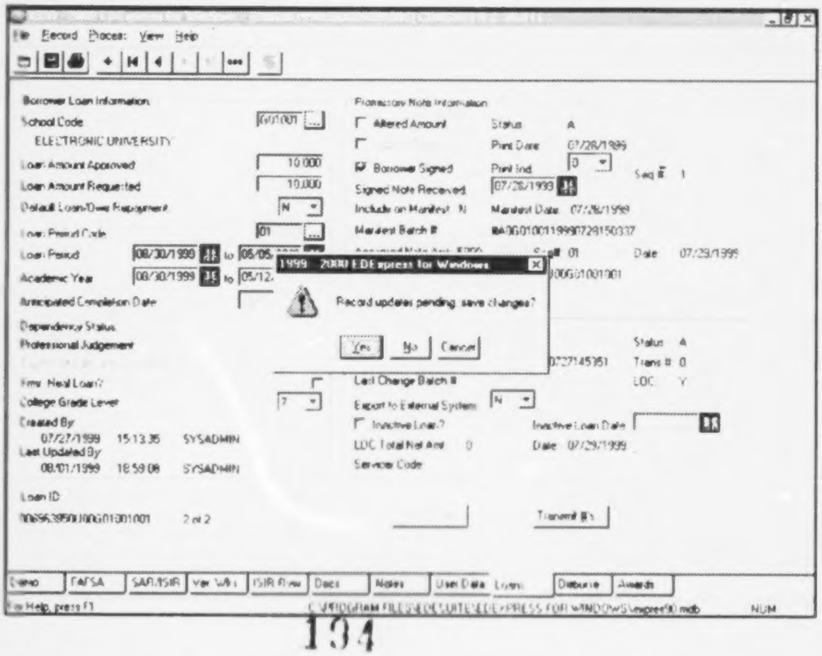
Promissory Note Information
☐ Altered Amount
Status A
Print Date 07/28/1999
☑ Borrower Signed
Print Ind 0
Seq # 1
Signed Note Received 07/28/1999
Include on Manifest N
Manifest Date 07/28/1999
Manifest Batch # #A0G01001199907281503?7
Seq# 01 Date 07/29/1999
U00G01001001
Status A
Trans # 0
LOC Y
Last Change Batch #
Export to External System N
☐ Inactive Loan?
Inactive Loan Date
LOC Total Net Amt 0
Date 07/29/1999
Servicer Code

1999 - 2000 EDExpress for Windows

Recalculate anticipated disbursements?

For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expre90.mdb

Click ***Yes*** *to save the changes.*


File Record Process View Help
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Transmit IFs
Yes
No
Cancel
NUM

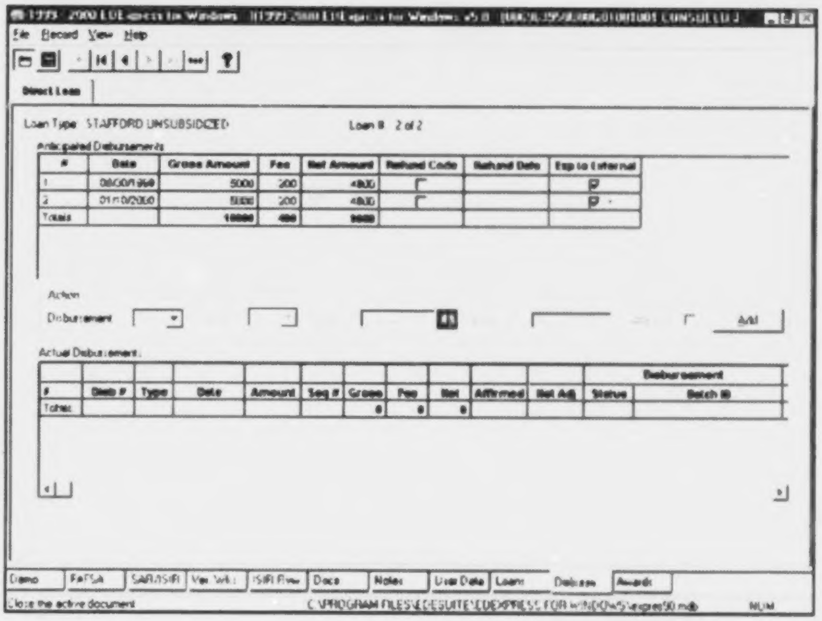
Borrower Loan Information
School Code G01001
ELECTRONIC UNIVERSITY
Loan Amount Approved 10,000
Loan Amount Requested 10,000
Default Loan/Owe Repayment N
Loan Period Code 01
Loan Period 08/30/1999 to 05/05/
Academic Year 08/30/1999 to 05/12/
Anticipated Completion Date
Dependency Status
Professional Judgement
Fins. Heal Loan?
College Grade Level 7
Created By
07/27/1999 15:13:35 SYSADMIN
Last Updated By
08/01/1999 18:59:08 SYSADMIN
Loan ID
006963950U00G01001001 2 of 2

Promissory Note Information
☐ Altered Amount
Status A
Print Date 07/28/1999
☑ Borrower Signed
Print Ind 0
Seq # 1
Signed Note Received 07/28/1999
Include on Manifest N
Manifest Date 07/28/1999
Manifest Batch # #A0G01001199907281503?7
Seq# 01 Date 07/29/1999
U00G01001001
Status A
Trans # 0
LOC Y
Last Change Batch #
Export to External System N
☐ Inactive Loan?
Inactive Loan Date
LOC Total Net Amt 0
Date 07/29/1999
Servicer Code

1999 - 2000 EDExpress for Windows

Record updates pending, save changes?

For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expre90.mdb



Loan Type: STAFFORD UNSUBSIDIZED Loan #: 2 of 2

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/20/1999	5000	200	4800	☐		☑
2	01/10/2000	5000	200	4800	☐		☑
Totals		10000	400	9600			

Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
Totals						0	0	0				

1999-2000 EDExpress for Windows
File Record View Help
Direct Loan
Action
Disbursement
Add
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
Close the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres50.mdb
NUM

*Click the **Disburse** tab.*

The Anticipated Disbursements have been recalculated.

Tip:

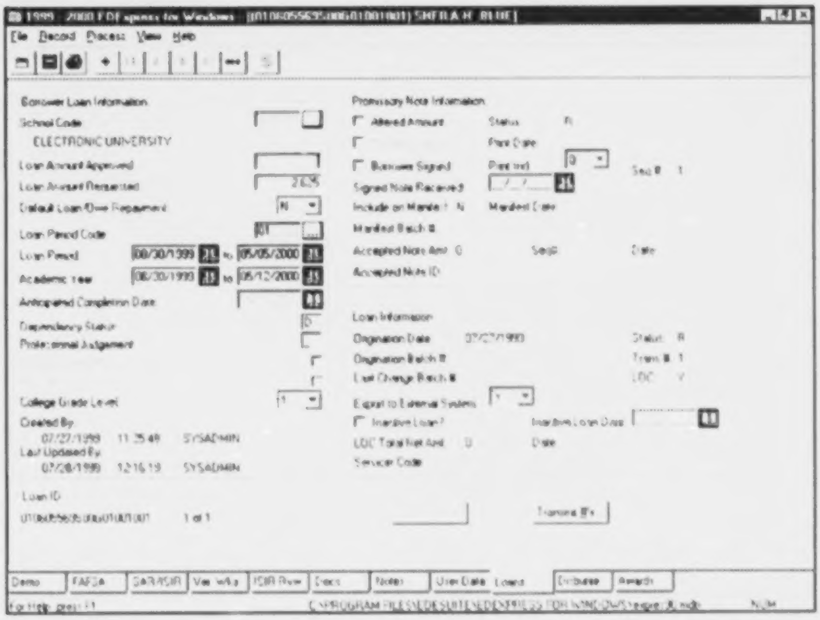
Export any changes you make to the origination records and transmit to the LOC.

Decreasing a Stafford Loan Amount

A decrease in loan amounts does not require a new loan record or new promissory note.

Reduce the loan amount requested and the loan amount approved.

The software automatically recalculates the anticipated disbursements.


1999 - 2000 EDExpress for Windows

Borrower Loan Information

School Code

ELECTRONIC UNIVERSITY

Loan Amount Approved

Loan Amount Requested 2625

Default Loan/Over Repayment N

Loan Period Code 01

Loan Period 08/30/1999 to 05/05/2000

Academic Year 08/30/1999 to 05/12/2000

Anticipated Completion Date

Created By 07/27/1999 11:25:49 SYSADMIN

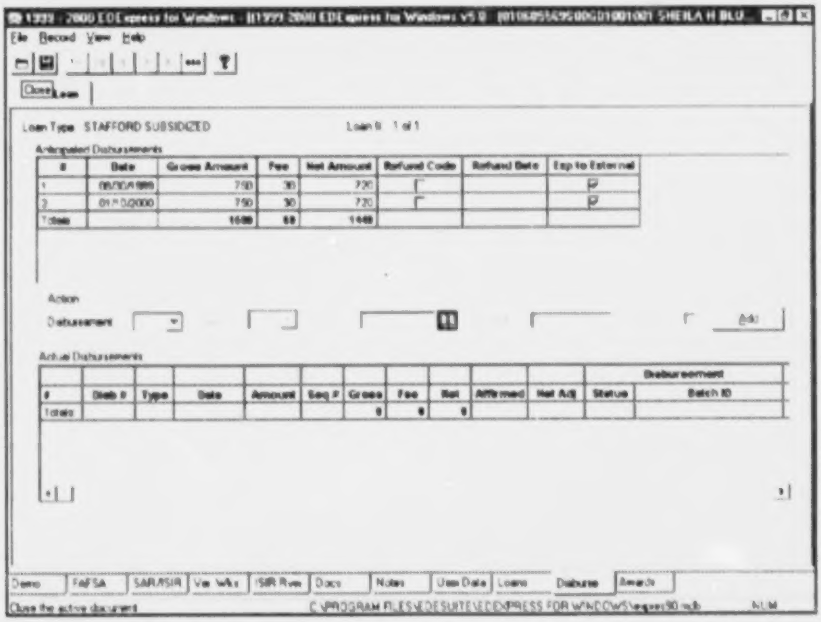
Last Updated By 07/28/1999 12:16:19 SYSADMIN

Promissory Note Information

Loan Information

Click on **Disburse**. *The system has updated the Anticipated Disbursements.*

This generates a change record that must be exported to the LOC.


1999 - 2000 EDExpress for Windows

Loan Type STAFFORD SUBSIDIZED

Loan # 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	750	30	720	☐		☑
2	01/10/2000	750	30	720	☐		☑
Totals		1500	60	1440			

Action

Disbursement

Actual Disbursements

#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
Totals						0	0	0				

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Other Topics

Change Records

A subsidized or unsubsidized change record sent to the LOC to update the loan amount approved is edited against the accepted promissory note amount on the LOC database to ensure that the combined loan amount approved does not exceed the accepted promissory note amount. If the accepted promissory note amount is exceeded, the change record is rejected.

Loan Amount Approved vs. Loan Amount Requested

The reason you have two loan amount fields, approved and requested, is so you can keep a record of the original amount for which the borrower is eligible. It is recommended that you keep both fields the same amount. Remember, the Loan Amount Approved is the field that is sent to the LOC in a change record and should reflect the student's loan eligibility.

Recalculating Anticipated Disbursements

You need to do this manually if the Loan Origination Status is B, A, or E. Always check the anticipated disbursement window to make sure the amounts correspond to the new loan amount requested.

Altered Note Flag

If you enter new anticipated disbursements due to an altered promissory note, you must set the altered note flag. If this flag is set, you will not be able to increase the loan amount at a later time without printing a new note.

Reprinting Promissory Notes

You may reprint a non-negotiable promissory note. Use this feature if you simply want to print a duplicate note but do not want to reset the promissory note status flag.

Apply What You Know

Print Promissory Notes (Batch Notes)

1. Select **File/Print** from the menu bar.
2. Click **Direct Loan**.
3. Click the down arrow in the **Report Type** box to view the types of reports that you can print.
4. Select **Promissory Note - Stafford** or **Promissory Note - PLUS**.
5. Select the number of promissory notes you want to print by clicking on the **Multiple** button or **Single** button to the right of the Report text box.
6. Click **Screen**, **File**, or **Printer** as the output destination.

If you want to send the records to a file:

Click the **File** button to locate and name the file. Then, click **OK**. EDExpress enters the filename in the text box automatically.

Remember that if you print to a file, no hard copy prints on your printer. To print a hard copy, open and print the output destination file or regenerate the batch and select Printer as your output destination. Route the output to a printer or to a file. No updates are made to the promissory note status when you print to the screen.

If you print to a file, you will have to reformat the DOS text with a word processor or editor of your choice in order to format the promissory note for printing.

7. (optional) Click the **File** button to locate an SSN file you have created.
8. Or, click the **Enter Multiple SSNs?** button to enter a list of SSNs.
9. Click the down arrow in the Sort Order box and select **Last Name Order** or **SSN Order.**
10. (optional) Click the **Selection Criteria** button if you want to use specific selection criteria. Selection criteria allow you to narrow the number of records you want to work with. This option is especially helpful with large databases, as it decreases your processing time.
11. (optional) Click **Align** to print the first line of the page to allow you to align the paper in a dot matrix printer.
12. Click **OK** to print. If you chose Screen as your output destination, use the scroll bars to view and click **OK** when you are finished.

Enter a Promissory Note Signed and Received

1. Select **File/Open** from the menu bar to open the record for which the promissory note was printed.
2. Type the **SSN** and click **OK** or click the **Ellipsis (...)** button or the ISIR button to display a list of records in the database and click on the record to select it. Click **OK**.
3. Click the **Loans** tab at the bottom of the screen.

If the student has more than one loan record, choose the appropriate loan ID by clicking **Record/Retrieve** on the menu bar. Select the correct loan ID from the list.

4. Select the appropriate loan ID and click OK if you have more than one loan record for the student.
5. Click in the checkbox for **Borrower Signed Note** (an X indicates yes and blank indicates no).
7. Type the date the signed note was received.
8. Select **File/Save** from the menu bar to save the changes.
9. Verify that the Promissory Note Status field contains S for signed. The promissory note status changes from P (printed) to S (signed) if the Include on Manifest flag is set to Y.
10. Select **File/Close** from the menu bar to exit the record.

Create a Paper Promissory Note Manifest

1. Select **File/Export** from the menu bar.
2. Click **Direct Loan**.
3. Click the down arrow on the **Export Type** text box to display a list of file types to export.
4. Select the type of manifest you want to export (**LOC Manifest Stafford** or **LOC Manifest PLUS**).
5. Click **Printer** as the output destination. You must mail a paper printout to the LOC. See the Direct Loan Desk Reference for addresses.
6. (optional) Click the **Selection Criteria** button to narrow the group of records you want to work with. When you are finished, click **OK**. If you do not use Selection Criteria, all records that have an Include on Manifest flag set to Y are included in the batch.
7. Verify that your Direct Loan institution code appears in the Institution Code field. If necessary, type your Direct Loan institution code in the Institution Code field, or click the **Ellipsis (...)** button to select the institution code.
8. Click **Name** or **SSN** for the sort order in which loans will appear on the paper manifest.
9. Click **OK** to export the paper manifest. An export statistics box appears.
10. Click **OK** to close the export statistics box.

Import Prom Note Acknowledgements from the LOC

1. Select **File/Import** from the menu bar.
2. Click **Direct Loan**.
3. Click the down arrow on the **Import Type** text box to display a list of file types to import.
4. Select the type of file you want to import (**Promissory Note Manifest**).
5. Confirm that the default filename and data directory you established in Setup appears in the Import From box.

Or, if you want to import to a different filename, click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

6. Click **Screen, File**, or **Printer** as the output destination for the acknowledgement report.

If you want to send the report to a file:

Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

Remember that if you print to a file, no hard copy prints on your printer. To print a hard copy, re-import the file, and select **Printer** as your output destination.

7. If you chose Screen as your output destination, use the scroll bars to view and double-click on the control box when you are finished.

Discussion Questions for Chapter 5

1. When you export a promissory note manifest, what is created?

2. What are the three ways to record notes as signed and received in EDExpress?

3. How can an Option 2 school designate where promissory notes are printed (print site option)?

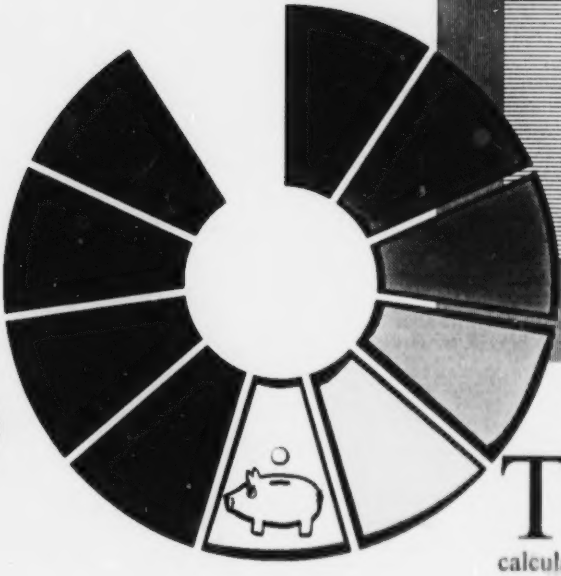
4. Does the batch integrity rule apply to promissory note batches?

5. Will the subsequent accepted or rejected record still use the same batch ID if the status of the initial promissory note acknowledgement you receive is pending?

6. What option should you select when printing if you need to print another copy of the promissory note for the student but do not need to send the note to the LOC?

Chapter 6

Cash Management



The cash management activity is an integral part of the school's Direct Loan processing and is an activity that occurs throughout the month. The cash management activity includes not only accurately calculating and requesting drawdowns, but ensuring, on a monthly basis, that amounts drawn down result either in disbursements of funds or return of funds to the Department of Education

6 Cash Management

Objectives

1. Understand how Option 2 schools calculate funding needs, make fund requests, and manage cash.
2. Identify how the Loan Origination Center calculates funding needs and makes fund requests for Option 1 and Standard Origination schools.
3. Understand how Option 1 and Standard Origination schools manage cash.
4. Understand the treatment of excess cash and how schools determine whether funds are to be returned as excess cash or payment to a borrower's account.
5. Understand that every 30 days, drawdowns and disbursements must be reconciled to internal records.

Steps to Cash Management

The cash drawdown process for all Direct Loan schools involves five steps:

1. Calculating funding needs
2. Requesting funds
3. Determining excess cash
4. Returning/recording excess cash
5. Reconciling the Direct Loan School Account Statement to the school's internal records

Option 2 schools must complete the five required steps.

Option 1 and Standard Origination schools must complete steps 3, 4, and 5. The Loan Origination Center (LOC) determines need and requests funds for Option 1 and Standard Origination schools based on anticipated disbursement dates in accepted loan origination records and accepted promissory notes. However, all school funds are transferred to the school's Federal Account.

Calculating Funding Needs

Procedures for Option 2 Schools

Option 2 schools are responsible for requesting and managing Direct Loan funds. Funds received are disbursed to eligible borrowers. Any funds not disbursed to eligible borrowers within the time frame established by the Title IV cash management requirements are returned to the LOC as excess cash.

Option 2 schools regularly estimate the amount of funds needed to make anticipated Direct Loan disbursements (net of loan fees). To make this estimate, the school uses the Direct Loan software or a similar system and a variety of selection criteria. When the loan origination record is created and the completed signed promissory note has been obtained, the record is eligible for payment.

When estimating funding needs, you should identify the students who will be ready for disbursement within 3 business days of your receiving the drawdown funds.

In making the disbursement estimate, Option 2 schools must also include Direct Subsidized, Direct Unsubsidized, and Direct PLUS Loans and must consider Direct Loan funds already on hand.

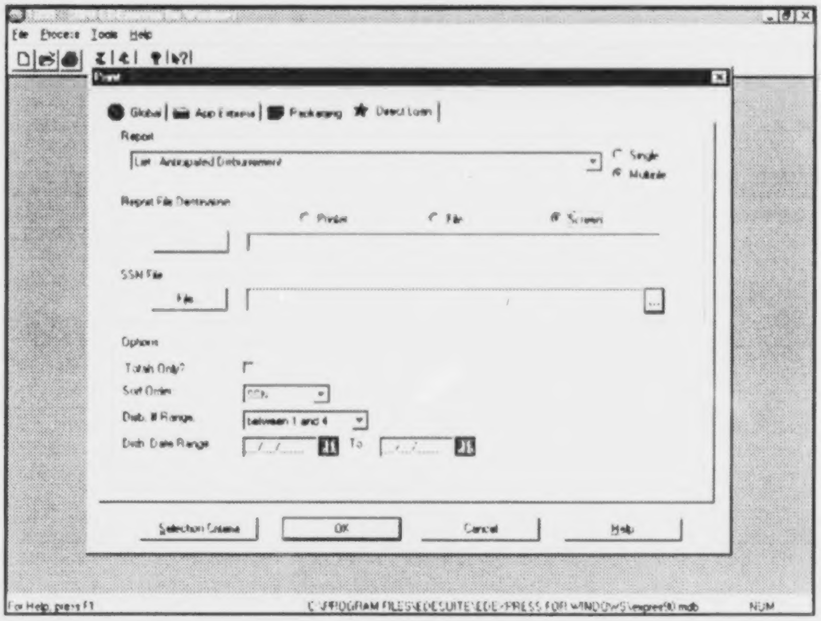
Considerations in estimating funding needs:

- Holds on student accounts
- SAP (satisfactory academic progress)
- Enrollment status
- Signed and completed promissory notes
- Base drawdown on anticipated disbursements or actual disbursements (if school funds have been disbursed)
- Other historical data
- Other cash disbursements not made

You can print a list of disbursements from your database to help with your estimate.

Printing the Anticipated Disbursement List

The Anticipated Disbursement List assists you in determining which loans are ready for payment. You can limit the scope of the report by adjusting the disbursement number or disbursement dates that it will recognize.


File
Process
Tools
Help
Print
Global
App Entries
Packaging
Direct Loan
Report File Destination
○ Printer
○ File
SSN File
File
Options
Selection Criteria
OK
Cancel
Help
For Help, press F1
NUM

Report: List - Anticipated Disbursement

○ Single
● Multiple

● Screen

Totals Only? ☐

Sort Order: SSN

Disb. # Range: between 1 and 4

Disb. Date Range: __/__/____ To __/__/____

C:\PROGRAM FILES\EDESUITE\EDE-PRESS FOR WINDOWS\expree90.mdb

*Select **File/Print** or click the 🖨 button.*

*Select the **Direct Loan** tab.*

*Select the report **List-Anticipated Disbursement**.*

*Click **Multiple** to include more than one record.*

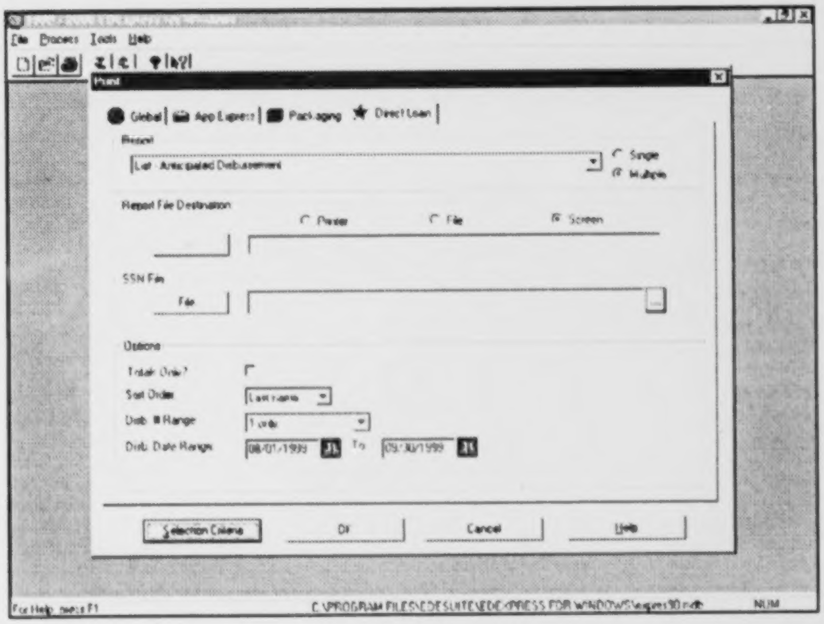
*Click **Screen**.*

*Sort the records by **Last Name**.*

*Select **1 only** to limit the list to the first disbursement.*

Select the disbursement date range.

*Click **OK** to print.*


File Process Tools Help
Print
Global | App Express | Packaging | Direct Loan
Selection Criteria
OK
Cancel
Help
For Help, press F1
NUM

Report: List - Anticipated Disbursement
○ Single
● Multiple

Report File Destination: ○ Printer ○ File ● Screen

SSN File

Options
Totals Only? ☐
Sort Order: Last name
Disb # Range: 1 only
Disb. Date Range: 08/01/1999 To 09/30/1999

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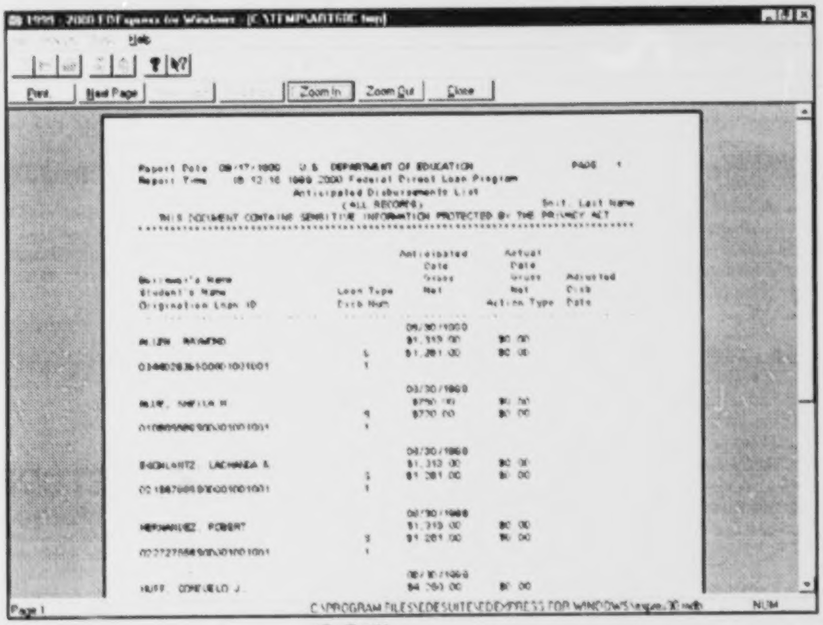
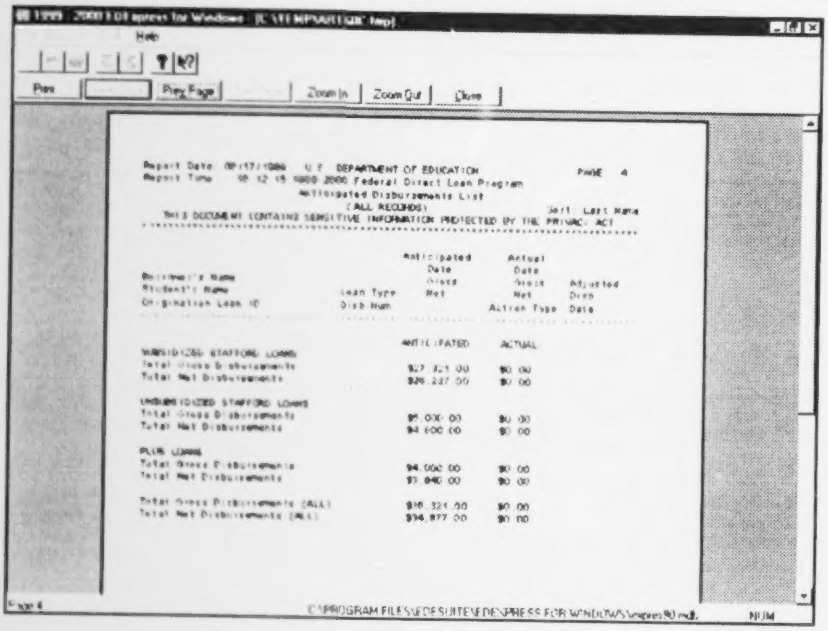
For loans that have an accepted promissory note, the amount to be disbursed is?


Help
Print
Next Page
Zoom In
Zoom Out
Close
Page 1
NUM

U.S. DEPARTMENT OF EDUCATION PAGE 1
1999-2000 Federal Direct Loan Program
Anticipated Disbursements List
(ALL RECORDS)
Sort: Last Name
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expres90.mdb



```
Report Date: 09/17/1999   U.S. DEPARTMENT OF EDUCATION                PAGE  4
Report Time:    10:12:15 1999-2000 Federal Direct Loan Program
                      Anticipated Disbursements List
                              (ALL RECORDS)                     Sort: Last Name
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************

                                               Anticipated      Actual
                                                  Date           Date
Borrower's Name                                   Gross          Gross    Adjusted
Student's Name                       Loan Type    Net            Net      Disb
Origination Loan ID                  Disb Num              Action Type    Date

                                              ANTICIPATED      ACTUAL
SUBSIDIZED STAFFORD LOANS
Total Gross Disbursements                     $27,321.00       $0.00
Total Net Disbursements                       $26,237.00       $0.00

UNSUBSIDIZED STAFFORD LOANS
Total Gross Disbursements                     $5,000.00        $0.00
Total Net Disbursements                       $4,800.00        $0.00

PLUS LOANS
Total Gross Disbursements                     $4,000.00        $0.00
Total Net Disbursements                       $3,840.00        $0.00

Total Gross Disbursements (ALL)               $36,321.00       $0.00
Total Net Disbursements (ALL)                 $34,877.00       $0.00
```

The end of the report shows the totals for anticipated and actual disbursements for PLUS, Stafford Subsidized and Stafford Unsubsidized.

*To receive a hard copy of the Anticipated Disbursement List, click the **Print...** button.*

BEST COPY AVAILABLE

Procedures for Option 1 and Standard Origination Schools

The LOC calculates the funding needs of Option 1 and Standard Origination schools. Funds received are borrower-specific. Any funds not disbursed to the intended borrower by the third business day must be returned to the LOC as excess cash. However, a school may keep the cash up to seven calendar days if:

- It expects to be able to disburse the funds to the borrower for whom they were intended in that timeframe.
- It meets the other requirements for excess cash tolerance (discussed later in this chapter).

Option 1 and Standard Origination schools send loan origination records to the LOC. The LOC must receive and accept these records and have also received and accepted the corresponding promissory notes before the LOC requests and sends funds to these schools.

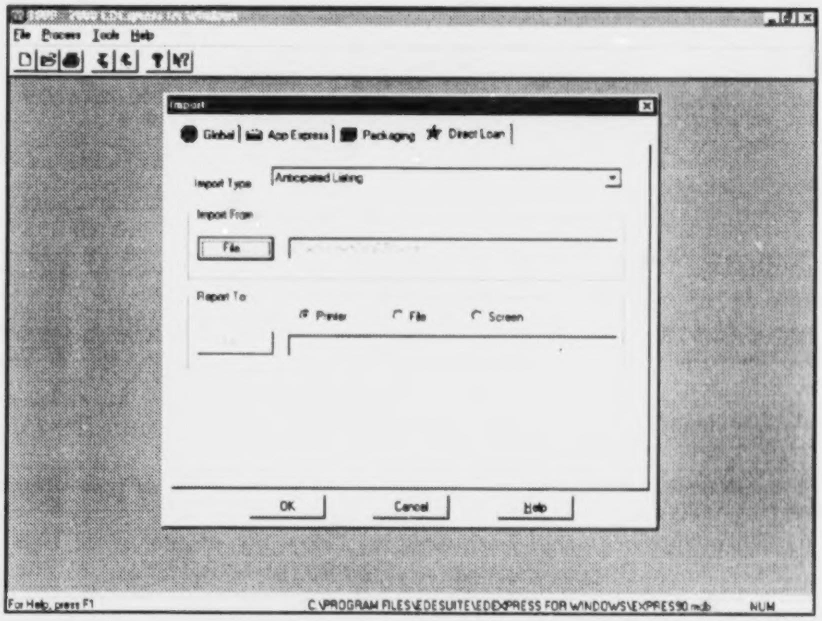
Option 1 and Standard Origination schools must export all records for all transactions that affect anticipated disbursements. This ensures the school receives an accurate drawdown and reduces the potential need to return funds.

The LOC sends an electronic Anticipated Disbursements Listing advising the school of the anticipated disbursements by borrower and loan type approximately 30 to 45 days before the anticipated disbursement dates specified in the loan origination records.

The school:

- Reviews the listing for any updates or adjustments to the information, particularly the disbursement amounts and anticipated disbursement dates.
- Sends any updates and changes to the LOC. Changes can be sent up to four business days before the disbursement date.

Importing Anticipated Listing Report


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
File...
OK
Cancel
Help

Import Type: Anticipated Listing

Import From

Report To: ● Printer ○ File ○ Screen

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRES90.mdb NUM

*Select **File/Import** or click the ⤓ button.*

*Select as the import type **Anticipated Listing**.*

*Click the **File...** button to retrieve the file.*

Send the report to printer or file.

The Anticipated Listing report includes:

- Direct Loan school code
- Loan ID
- Borrower's name
- Loan type
- Disbursement number
- Anticipated gross disbursement amount
- Anticipated net disbursement amount
- Anticipated loan fee amount
- Number of borrowers on the listing

Requesting Funds

Procedures for Option 2 Schools

Option 2 schools calculate their funding needs, make their own drawdown requests, and are authorized to drawdown Direct Loan funds directly from ED's Grants Administration and Payment System (GAPS).

Immediate Need

Option 2 schools must use all Direct Loan funds on hand to meet immediate funding needs. Schools request funds to meet needs after considering any Direct Loan funds remaining from previous drawdowns. Immediate need differs from school to school. An Option 2 school must consider the balance of Direct Loan cash on hand and anticipated disbursements in formulating a funds request.

Record Requirements

For Option 2 schools, drawdown of funds is not dependent on the submission to the LOC of an individual borrower's loan origination record and/or promissory note. However, schools must have signed, complete, and accurate promissory notes before loan funds are disbursed to a borrower. Note that in order to record the actual disbursement, the origination record must have already been batched and sent.

Use School Funds

Additionally, an Option 2 school may have used institutional funds to make Direct Loan disbursements. In this case, funds may be requested to reimburse the school for actual disbursements made.

Drawdown Requests

Schools request Direct Loan funds from the Department's Grants Administration and Payment System (GAPS). FEDWIRE or ACH users must request funds on-line through the Internet at http://gapsweb.ed.gov or by calling the GAPS Payee Hotline at 1-888-336-8930.

Timing of Requests

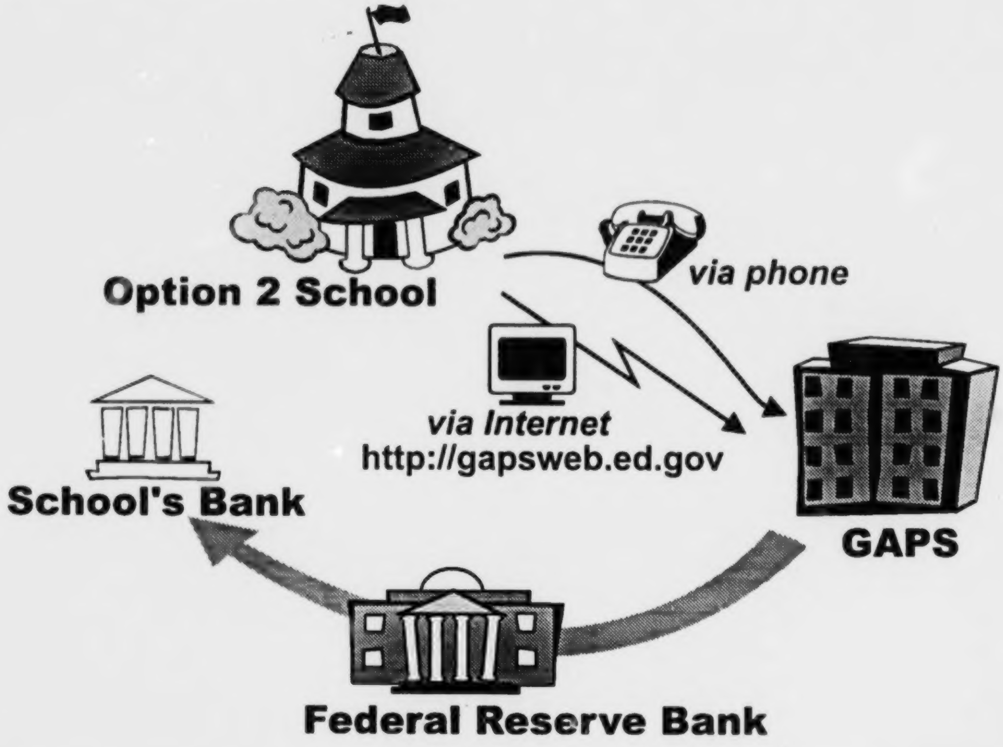
Option 2 schools determine when cash is needed and when to initiate requests. The three-day guidelines for "immediate need" govern the point at which a school actually makes the request for cash. The timing for immediate need requests is a period that is administratively feasible, but no earlier than three business days before the date the schools receive funds.

The chart below displays approximate time lines. To distinguish between morning and afternoon, the daily cutoff for requesting funds has been set at 3:30 p.m. ET.

Timeline for Requesting/Receiving Direct Loan Funds Using ACH/EFT

Funds Requested	Funds Received
Monday morning	Wednesday or Thursday
Monday afternoon*/Tuesday morning	Thursday or Friday
Tuesday afternoon*/Wednesday morning	Friday or Monday
Wednesday afternoon*/Thursday morning	Monday or Tuesday
Thursday afternoon*/Friday morning	Tuesday or Wednesday

**Afternoon begins at 3:30 p.m. Eastern time*



Procedures for Option 1 and Standard Origination Schools

The LOC requests funds for Option 1 and Standard Origination schools based on the anticipated disbursement dates and amounts provided by the school in the loan origination records.

The LOC's request for funds is made *four* business days prior to the anticipated disbursement dates. Funds are requested only for those anticipated disbursements for which the LOC has an accepted loan origination record and promissory note. Anticipated disbursement data transmitted to the LOC by this time is included in the LOC's fund request.

The LOC creates and electronically sends an Actual Disbursement Roster to the school reflecting individual borrowers, loan types, and associated actual disbursements, as well as the total amount of funds in the request. This notifies the school that funds for the borrowers specified on the Actual Disbursement Roster have been requested and can be expected in the school's Direct Loan bank account within three to four days.

If the school sends the loan origination record and promissory note 15 days (or less) before the anticipated disbursement date, the disbursement will not appear on the Anticipated Disbursement listing. However, the LOC requests funds for this loan four days before the anticipated disbursement date, if the loan origination record and promissory note are accepted by the LOC. Thus, in this instance, these loans would appear on the Actual Disbursement Roster.

Import Actual Roster

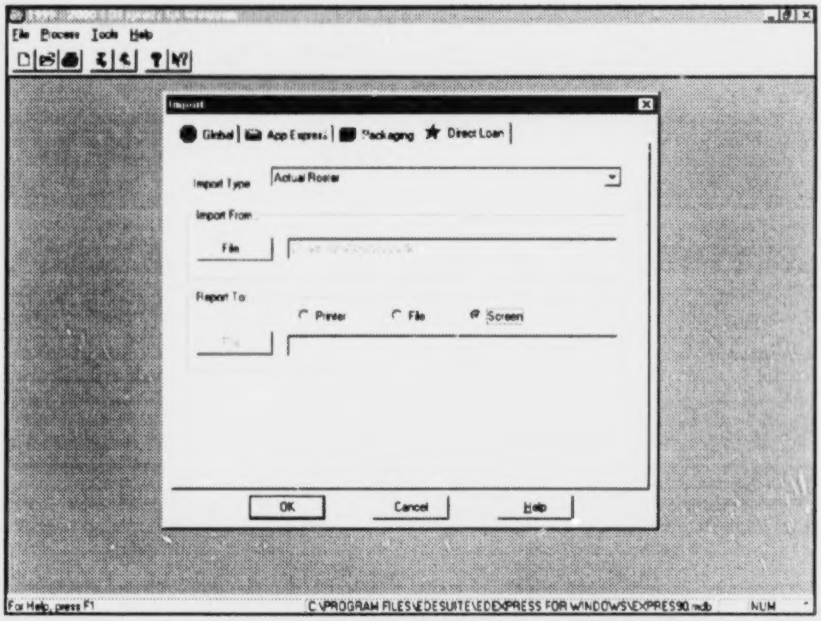
*Select **File/Import** or click the 🄴 button.*

*Select as the import type **Actual Roster**.*

*Click the **File...** button to locate the file.*

Select the output format.

*Click **OK**.*



Import Type: Actual Roster

Report To: ○ Printer ○ File ● Screen

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Main/Branch Campus Drawdowns

Effective March 1, 1999, all Direct Loan drawdowns will be done at the branch campus level. All "G" and "E" code schools will be given unique document numbers in GAPS, and drawdowns will have to be entered separately for each campus.

Example: Main Campus A (G10101) has two branch campuses, Branch Campus B (E00101) and Branch Campus C (E00202). In this example, G10101 needs $10,000, E00101 needs $2,000, and E00202 needs $5,000.

School Name	Document #	Amount
Main Campus A	p268k991111	$10,000
Branch Campus B	p268k991112	$2,000
Branch Campus C	p268k991112	$5,000

Receiving Funds

All schools must maintain a bank account into which Direct Loan funds are deposited. The bank must be notified that the account contains federal funds, or the name of the account must clearly disclose that federal funds are maintained in the account.

Direct Loan funds may be kept in the same account with other Title IV funds, although it is recommended that a separate account be established for Direct Loan funds; this helps the school's cash management of Direct Loans. Additional information about the bank account is contained in 34 CFR 668.163.

Procedures for Option 2 Schools

- A school's bank should receive funds within 2 to 3 days after the school requests the drawdown, depending on the time of day the request was sent.
- These funds are not drawn down for specific students. Any funds not disbursed by the end of the third business day after the funds have been received must be returned as excess cash unless the school meets specific criteria which will be discussed later in this chapter.

Procedures for Option 1 and Standard Origination Schools

- The funds will be sent to the school's bank through the ACH.
- Schools should make sure funds have been received before making disbursements to borrowers.
- If funds are not disbursed to the specific student for whom they were drawn down by the end of the third business day after the funds are received, the funds must be returned as excess cash, unless the school meets specific criteria which will be discussed later in this chapter.

Unused Funds

Funds that have not been disbursed within the proper time limits must be returned to the LOC as unused cash. Option 1 and Standard Origination schools must return as excess cash any drawdown amounts that were not disbursed to the specific borrower for whom the drawdown was intended. A downward adjustment of a disbursement always results in a return of funds for an Option 1 or Standard school. (These funds must be returned to the LOC within three business days of the cancellation or downward adjustment in accordance with the Cash Return Timeline on the following pages.) The methods to return excess cash are:

- Electronically through the ACH (Automatic Clearing House) or check if the amount being returned is less than $100,000.
- Via FEDWIRE, which must be used if the amount of the excess cash is $100,000 or more.

Excess Cash Tolerances

If an Option 2 school draws down Title IV funds in excess of its immediate cash needs, the institution may maintain the excess cash balance in their designated bank account beyond the three-day period under the following conditions:

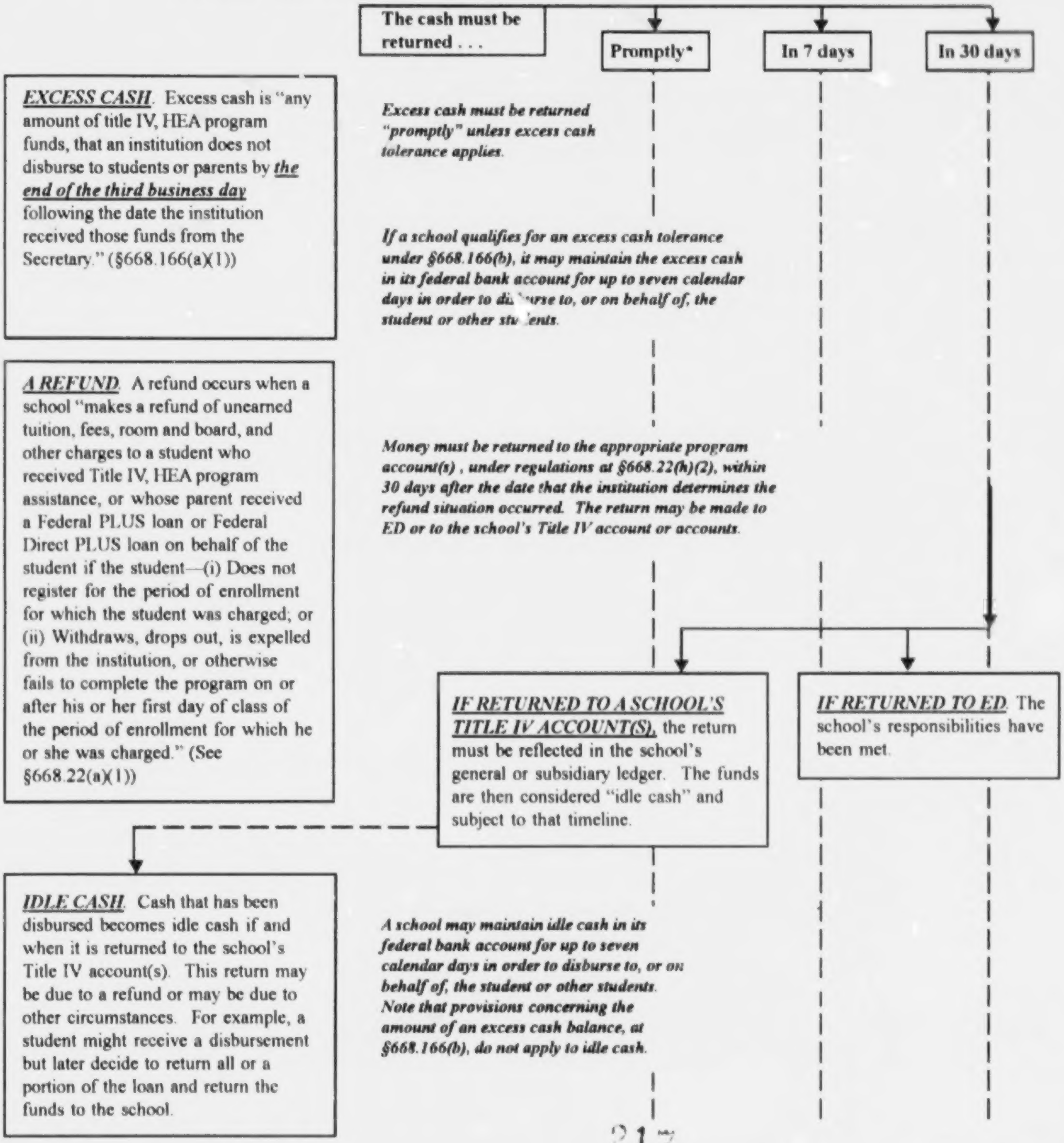
- The amount of excess cash balance is less than three percent of its total prior-year drawdowns for a period of peak enrollment at the institution or less than one percent of its prior-year drawdowns for any other period.
- The institution eliminates the excess cash balance within the next seven calendar days by disbursing the funds to students or parents for at least the amount of that balance. The seven days are in addition to the normal three days that the school is allowed to maintain the funds (Refer to CFR 668.166).

The above applies to Standard and Option 1 schools also. However, for these schools, the funds must go to the borrowers for whom they were intended. If a borrower is not eligible during the first three days, but the school expects him or her to become eligible in the next seven, the school can retain Direct Loan funds (if it meets other requirements).

The following chart defines excess cash vs. unused funds and shows cash return timelines.

Cash Return Timelines

(Note that guidance below generally applies to Pell, Direct Loan, FSEOG, Perkins, and FWS funds. FFEL timelines for disbursing funds are slightly different, and are described at §668.167.)



The cash must be returned . . .

Promptly*

In 7 days

In 30 days

__EXCESS CASH__. Excess cash is "any amount of title IV, HEA program funds, that an institution does not disburse to students or parents by ***__the end of the third business day__*** following the date the institution received those funds from the Secretary." (§668.166(a)(1))

Excess cash must be returned "promptly" unless excess cash tolerance applies.

If a school qualifies for an excess cash tolerance under §668.166(b), it may maintain the excess cash in its federal bank account for up to seven calendar days in order to disburse to, or on behalf of, the student or other students.

__A REFUND__. A refund occurs when a school "makes a refund of unearned tuition, fees, room and board, and other charges to a student who received Title IV, HEA program assistance, or whose parent received a Federal PLUS loan or Federal Direct PLUS loan on behalf of the student if the student—(i) Does not register for the period of enrollment for which the student was charged; or (ii) Withdraws, drops out, is expelled from the institution, or otherwise fails to complete the program on or after his or her first day of class of the period of enrollment for which he or she was charged." (See §668.22(a)(1))

Money must be returned to the appropriate program account(s) , under regulations at §668.22(h)(2), within 30 days after the date that the institution determines the refund situation occurred. The return may be made to ED or to the school's Title IV account or accounts.

__IF RETURNED TO A SCHOOL'S TITLE IV ACCOUNT(S),__ the return must be reflected in the school's general or subsidiary ledger. The funds are then considered "idle cash" and subject to that timeline.

__IF RETURNED TO ED__. The school's responsibilities have been met.

__IDLE CASH__. Cash that has been disbursed becomes idle cash if and when it is returned to the school's Title IV account(s). This return may be due to a refund or may be due to other circumstances. For example, a student might receive a disbursement but later decide to return all or a portion of the loan and return the funds to the school.

A school may maintain idle cash in its federal bank account for up to seven calendar days in order to disburse to, or on behalf of, the student or other students. Note that provisions concerning the amount of an excess cash balance, at §668.166(b), do not apply to idle cash.

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* A "prompt" return of excess cash is a return that is made in a timely manner. The timetable for returning cash "promptly" may vary slightly from school to school, but a school is generally expected to return the excess cash within two or three days.

How to Classify Returned Funds

A school may find that due to a downward adjustment, their Direct Loan cash balance has increased by the amount of the adjustment. If an Option 2 school is not able to use the additional Direct Loan funds in their account for another borrower, then the funds must be returned to the LOC. A downward adjustment always requires an Option 1 or Standard school to return the funds. (See also Chapter 7 on Disbursements.) Whether the return of funds is to be considered either an unused funds transaction or a payment to the borrower's account depends on the 120-day rule.

The 120 Day Rule

Unused Funds

A school can adjust a disbursement within 120 days of the disbursement date. If the action date of the downward adjustment (such as when the borrower drops below half-time, has withdrawn, or is in an overaward situation), is within 120 days of the disbursement date, then the school enters an electronic adjustment in their Direct Loan system and returns the amount of increase in their Direct Loan balance to the LOC. Note that the action date is not the date of the entry of the electronic transaction nor the refund recalculation date, but rather the date that caused the downward adjustment.

Payment

If the action date is after 120 days from the date of disbursement, any return of Title IV funds due to the borrower must be returned as a payment to the borrower's account. The funds are not treated as unused funds and the school does not enter an electronic adjustment in its Direct Loan system. After July 1, 1998 the applicable portion of the loan fee is to be repaid or returned in cases in which loan funds are returned by the school in order to comply with HEA or with applicable regulations.

If the school is negligent in reporting the return of Title IV funds (beyond 120 days from the date of the disbursement) the borrower will not be liable for the fees, but the school is.

Unused Funds Addresses

If a school determines that they need to return unused funds to the LOC, the funds should be returned as follows:

By check, payable to:

U.S. Department of Education
Loan Origination Center
ATTN: Excess Cash
P.O. Box 2011
Montgomery, AL 36102-2011

By ACH/FEDWIRE:

Compass Bank Account No. 707 2672 6
ABA No. 0620 0118 6

Indicate your "G" or "E" institution code and the funding year for any returns sent via ACH/Fedwire.

Payment Addresses

If a school determines that the amount to be returned is a payment on the borrower's loan balance, the funds must be sent as follows:

By check, payable to:

Direct Loan Servicing Center
Attn: Payment Center
P.O. Box 746000
Atlanta, GA 30374-6000

The school must make sure correspondence is included indicating that this is a payment to the student's account and identify the borrower(s) by name and SSN.

Apply What You Know

Print Anticipated Disbursement List

1. Select **File/Print** from the menu bar.
2. Click the **Direct Loan** tab.
3. Click the down arrow in the Report text box and choose **List – Anticipated Disbursement.**
4. Click the **Multiple** button to include more than one student in the list.
5. Click **Printer**, **File**, or **Screen** for the output destination.

If you want to send the report to a file:

Click the **File** button to locate the file, then click **OK**. EDExpress enters the filename and location in the text box automatically.

Remember that if you print to a file or the screen, no paper copy prints on your printer. To print a paper copy, repeat the print process and select **Printer** as your output destination.

5. If you only want totals click the **Totals Only?** box.
6. Select the **Sort Order** and **Disbursement Number Range**.
7. Enter dates for the **Disbursement Date Range**.
8. If you want to further specify records to include in the list , click the **Selection Criteria** button.
9. Select the desired query and click **OK** to return to the Print box.
10. Click **OK** to send the list to the output destination you chose.

If you chose Screen as your output destination, use the scroll bars to view and click **OK** when you're finished.

Import Anticipated/Actual Disbursement List

1. Select **File/Import** from the menu bar.
2. Click **Direct Loan**.
3. Click the **down arrow** on the Import Type text box to display a list of file types to import.
4. Select the type of file you want to import **(Anticipated Listing or Actual Roster)**.

Confirm that the default filename and data directory you established in Setup appear in the Import From box.

Or, if you want to import to a different filename, click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

6. Click **Screen**, **File**, or **Printer** as the output destination for the acknowledgement report.

If you want to send the report to a file:

Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

Remember that if you print to a file, no hard copy prints on your printer. To print a hard copy, re-import the file, and select **Printer** as your output destination.

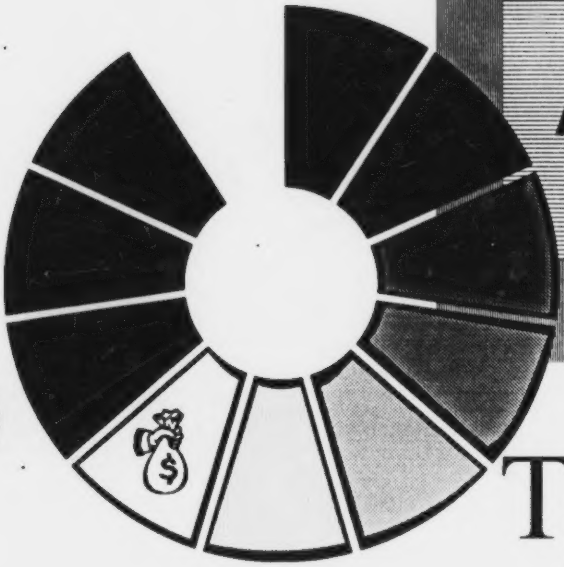
7. If you chose Screen as your output destination, use the scroll bars to view and double-click the control box when you are finished.

Discussion Questions for Chapter 6

1. Do Option 1 and Standard schools determine their funding needs by printing a disbursement list?

Chapter 7

Disbursements



The information in this chapter helps you understand the steps in disbursing Direct Loan funds to borrowers, determining Direct Loan disbursement dates, and describes disbursement reporting procedures.

7 Disbursements

Objectives

1. Define the rules for disbursing funds to borrowers.
2. Determine appropriate disbursement dates.
3. Identify the process for recording and reporting disbursements to the LOC.
4. Use the Export function to create a batch of disbursement records.
5. Use the Import function to update the database with the acknowledgement file.
6. Define rules for adjusting disbursements.

School Disbursement Of Funds to Borrowers

Schools disburse Direct Loan funds in the same manner funds are delivered under the FFEL Program. The difference is that in the Direct Loan Program, the school controls—within the limits of the regulations—when the student receives the funds, just as the school does under the Federal Pell Grant and federal campus-based programs. Section 668.164 of the November 29, 1996 General Provisions Cash Management regulations and Sections 685.301 and 685.303 of the Direct Loan Program regulations establish timeframes and procedures for disbursing funds.

To disburse funds, the school:

- Establishes disbursement dates, taking into account the requirements concerning the number, amount, and timing of the disbursements.
- Ensures that student is eligible for the loan.
- Must have obtained a signed, complete promissory note from the borrower.
- May disburse Direct Loan proceeds without a separate written authorization or acknowledgement from the borrower to satisfy charges for tuition/fees and room and board.
- Must first credit the student's account to pay for outstanding current and authorized charges if it disburses Direct Loan funds by crediting a student's account (See 668.164(d)(3) *November 29, 1996, Federal Register*).
- Issues a check (or similar instrument) or cash for any credit balance remaining on the student's account, or holds these funds for the borrower.
- Applies standard disbursement requirements, such as the 30-day delay for first-year, first-time borrowers, and the disbursement rules on the following pages that are effective July 1, 1997 (some experimental site schools and schools that meet default tolerance levels, set by the Higher Education Act Amendments, are exempt).

Note:

Unless the borrower provides written authorization allowing the school to hold funds, a credit balance on the student's account must be paid directly to the student or parent no later than 14 days after: 1) the date the balance occurs (if the balance occurs after the first day of class of a payment period), or 2) the first day of classes of a payment period (if the credit balance occurs on or before the first day of class of that payment period).

Notification and Cancellation Information

Whenever an institution credits Direct Loan funds to a stu[illegible]ccount, the institution must notify the student or parent of:

- The date and amount of the disbursement.
- The borrower's right to cancel all or a portion of the loan or loan disbursement.
- The procedures and timeframes by which the borrower must notify the institution that he or she wishes to cancel the loan or loan disbursement.

Effective July 1, 1997, the institution must send the notice no earlier than 30 days before and no later than 30 days after crediting the student's account at the institution. The institution may notify the borrower in writing or electronically. If the institution sends the notice electronically, it must require the recipient of the notice to confirm receipt of the notice and must maintain a copy of that confirmation.

The borrower must inform the institution if he or she wishes to cancel all or a portion of a loan or loan disbursement. The institution must honor the cancellation request if the borrower requests the cancellation within 14 days after the date the school sends the notification described above, or by the first day of the payment period, whichever is later. If the borrower requests a cancellation after the time period discussed above, the school may, but is not required to, cancel all or a portion of the loan. An institution must inform the borrower in writing or electronically regarding the outcome of any cancellation request.

The new regulatory provisions discussed above concerning the borrower's right to cancel loans or loan disbursements are effective for all disbursements made on or after July 1, 1997.

General Disbursement Date Rule

In accordance with the November 29, 1996 General Provisions Cash Management Regulations definition of a Title IV Disbursement, the disbursement date for a Direct Loan disbursement is the date a school used Direct Loan funds *or* institutional funds to either credit the student's account or to pay the student directly by cash or check.

The earliest date that a school may report as a Direct Loan disbursement date is ten days before the first day of classes of a payment period. A school can credit a student's account with institutional funds earlier than ten days before the first day of classes of a payment period; however, they may not report a disbursement date to the LOC that is earlier than ten days before the first day of classes of a loan period. In this situation, the date reported as the disbursement date must be the tenth day before the first day of classes of a payment period. Additionally, for a first-year, first-time borrower, the delayed disbursement requirements stipulate that the earliest date that can be reported as a disbursement date is the 30th day after the beginning of the payment period. While a school may credit a first-time, first-year borrower's account prior to the 30th day after the beginning of the payment period, that disbursement may not be reported to the LOC as a Direct Loan disbursement until the 30th day after the beginning of the payment period.

Some schools may be subject to different requirements for disbursement based on their cohort default rate. For a school that has cohort default rate of less than 10 % for the last three calculated years

- No multiple disbursement is required for any period of enrollment that is not more than one quarter, one semester, one trimester or four months; and
- No 30-day delayed disbursement is required for first-year, first-time borrowers

Reporting Actual Disbursements

After disbursing funds, the school must report the required information on actual disbursements to the LOC. Section 685.301 of the 60 FR 61790, December 1, 1995 regulation requires that a school must submit the promissory note, loan origination record, and initial disbursement record to ED no later than 30 days following the date of disbursement. Subsequent disbursements and adjustments must also be reported within 30 days of the date of the subsequent disbursement or adjustment. To report an actual disbursement, the school must enter the date of the disbursement and the amount disbursed in the loan record and transmit the disbursement information to the LOC.

Note:

Actual disbursement data are reported electronically to the LOC, while the promissory notes are mailed to the LOC. Even if a school sends both sets of information simultaneously, the disbursement record will arrive first. A loan is not "booked" until the LOC has accepted the complete loan origination record; the signed, complete promissory note; **and** *the complete first disbursement record.*

Once the loan is booked, the borrower's Direct Loan Servicer sends the disbursement notification to the borrower within 10 days. The timely reporting of actual disbursement data ensures that borrowers receive timely notification of their loan repayment obligation to ED. This is particularly important for Direct PLUS and Direct Unsubsidized borrowers because interest begins to accrue on these loans on the date of actual disbursement.

Procedures for Option 1 and Standard Origination Schools

- Four days prior to the anticipated disbursement date, the school receives the Actual Disbursement Roster from the LOC indicating the borrower, loan type, and amount to be disbursed.
- The school verifies eligibility and/or corrects the disbursement amount for each borrower. The school records the date and amount of the disbursement and sends the disbursement records electronically to the LOC.
- If the school disburses an amount that is less than anticipated, it must send the excess cash back to the LOC (see Section 668.166 of the November 29, 1996 General Provisions Cash Management Regulations which establish the procedures for excess cash. See also Chapter 6, *Cash Management*).

Procedures for Option 2 Schools

- The school records the date and amount of each disbursement in the Direct Loan software provided by ED or in another system maintained by the school and transmits the disbursement records to the LOC.
- If the school disburses less than the anticipated amount, it may use these funds to disburse to other eligible borrowers. If the funds are not needed, the school should return the funds to the LOC as excess cash. (See also Chapter 6, *Cash Management*.)

Disbursement Records

You must record actual disbursement dates and amounts in EDExpress. This generates disbursement records that must be exported to the LOC in a timely fashion. A record of disbursement is one of the three elements required by the LOC to "book" a loan.

There are four types of disbursement records:

- Actual Disbursements—You may enter the gross or net disbursement into EDExpress. This transaction will always be the first disbursement record for the disbursement number.
- Adjustments to Actual Disbursement—You may decrease or increase the actual disbursement or a previous adjustment.
- NEW! Adjustments to Zero—Any disbursement that needs to be cancelled should be adjusted to $0.
- NEW! Adjustment to Actual Disbursement Date—You can modify the date of any disbursement already recorded.

You must export all disbursement records to the LOC in a timely fashion. The disbursement notification is sent to the borrower 10 days after the loan is booked by the borrower's Direct Loan Servicer. This notification is sent to the borrower for every accepted disbursement transaction.

Status Flags

When you save a record with a new actual disbursement, adjustment to an actual disbursement, adjustment to zero, or adjustment to the date, several actions take place in EDExpress:

- The disbursement data is added to the disbursement database. This includes the disbursement type, date, and amount.
- The transaction is assigned a disbursement status flag which is initially set to "R" indicating the record is ready to export to the LOC.
- The status flag changes to "B" when the record is batched for export. The batching process assigns a batch ID to the record.
- When the corresponding disbursement acknowledgement is imported, the status flag is updated to "A" or "E."
- Each transaction (actual disbursement, adjustment to an actual disbursement, or actual disbursement date) is maintained separately and has its own disbursement status flag in the disbursement database.

For example, if you record a first actual disbursement and decide later to adjust the first disbursement, you create two disbursement records in the disbursement database, each with its own disbursement status of "R."

N = Not ready to send

R = Ready to send

B = Batched

A = Accepted

E = Error (rejected)

Actual Disbursement Entry

You can enter gross or net amounts into EDExpress. You must use either the gross or the net amount consistently as the basis for your actual disbursement transactions. This reduces the possibility for confusion and rounding errors.

You can enter disbursement data into EDExpress three ways:

- **Single Entry**—Open an individual loan record and enter the disbursement action, disbursement date, and disbursement amount in the Actual Disbursement panel.
- **Multiple Entry**—You can select the records to which you want to add disbursement information in a group through the multiple entry window.
- **Import Change**—Create your own flat ASCII file, following the Import Change record layout, include disbursement data and import the file into EDExpress (see the *Direct Loan Technical Reference* for more details).

Action Types

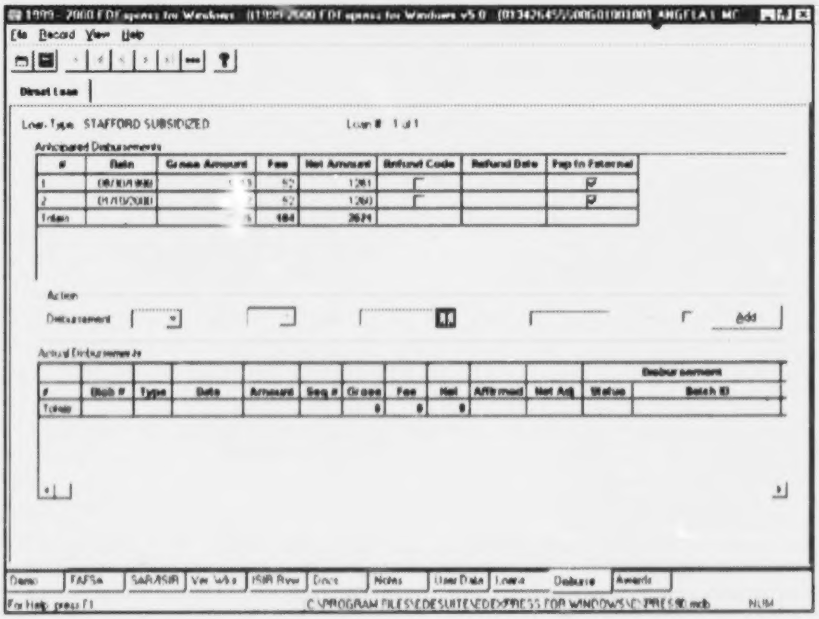
In addition to entering the amount of the disbursement and the date, you must enter the Action Type field. This tells EDExpress specifically what the amount represents.

Gross Amount (G)	The amount including the loan fee.
Net Amount (N)	The amount not including the loan fee.
Adjusted Gross Amount (A)	The new gross amount after the adjustment has been applied.
Adjusted Net Amount (J)	The new net amount after the adjustment has been applied.
Use Anticipated Information (U)	Indicates you wish EDExpress to apply the amounts that appear in the anticipated disbursement field. This is saved to the database as a **G** type action taken.
NEW! **Adjusted Disbursement Date (Q)**	The date is the new disbursement date for the associated disbursement.

Rules for Actual Disbursements

- The first action type for any disbursement number must be a gross "G" or net "N" disbursement. (You may also use "U" for Use Anticipated Disbursement Information.)
- The actual disbursement date may not be in the future. The actual disbursement date may not be more than ten days before the first day of classes of a payment period. The actual disbursement date must comply with Cash Management regulations.
- The sum of all disbursement amounts may not be greater than the loan amount requested (Stafford) or loan amount approved (PLUS).
- You may not record a second, third, or fourth disbursement if no action is taken on a prior disbursement.

Entering a Single Disbursement


1999 - 2000 EDExpress for Windows
File
Record
View
Help
Direct Loan
Action
Add
Demo
FAFSA
SAR/ISIR
Ver Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
NUM

Loan Type: STAFFORD SUBSIDIZED
Loan #: 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Pay to External
1	08/10/1999	[illegible]	52	1261	☐		☑
2	01/10/2000	[illegible]	52	1260	☐		☑
Totals		[illegible]	104	2521			

Disbursement

Actual Disbursements

#	Batch #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Disbursement Status	Batch ID
Totals						0	0	0				

Open the disbursement record.

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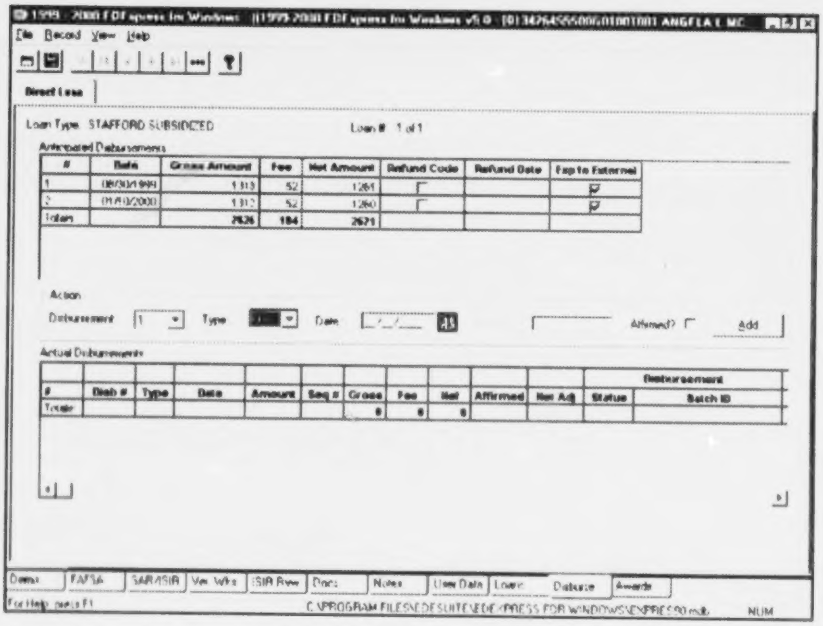
Select Action Disb. **1**.

Select Action Type **U**.

This will automatically fill the disbursement with the data from anticipated disbursement #1.

Click **Add**.



1999 - 2000 EDExpress for Windows - [1999-2000 EDExpress for Windows v5.0 - [013426455500G01001001 ANGELA L MC

Loan Type: STAFFORD SUBSIDIZED Loan #: 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Disbursement: 1 Type: Date: __/__/____ Affirmed? ☐ Add

Actual Disbursements

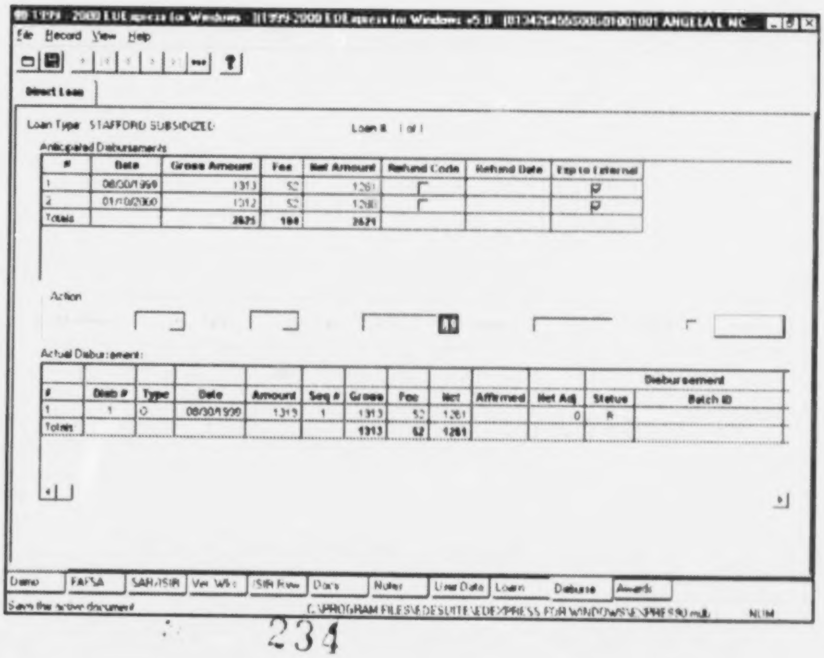
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Disbursement Status	Batch ID
Totals						0	0	0				

For Help, press F1 C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRES90.mdb NUM

File
Record
View
Help
Direct Loan
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards

The disbursement has been added.

Don't forget to save the record.



1999 - 2000 EDExpress for Windows - [1999-2000 EDExpress for Windows v5.0 - [013426455500G01001001 ANGELA L MC

Loan Type: STAFFORD SUBSIDIZED Loan #: 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Actual Disbursements

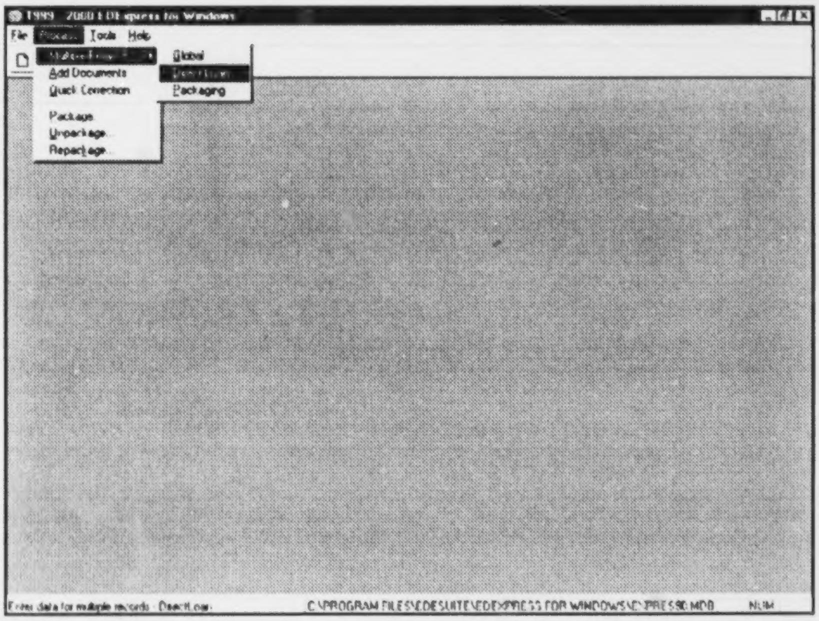
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Disbursement Status	Batch ID
1	1	O	08/30/1999	1313	1	1313	52	1261		0	R	
Totals						1313	52	1261				

Saves the active document C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRES90.mdb NUM

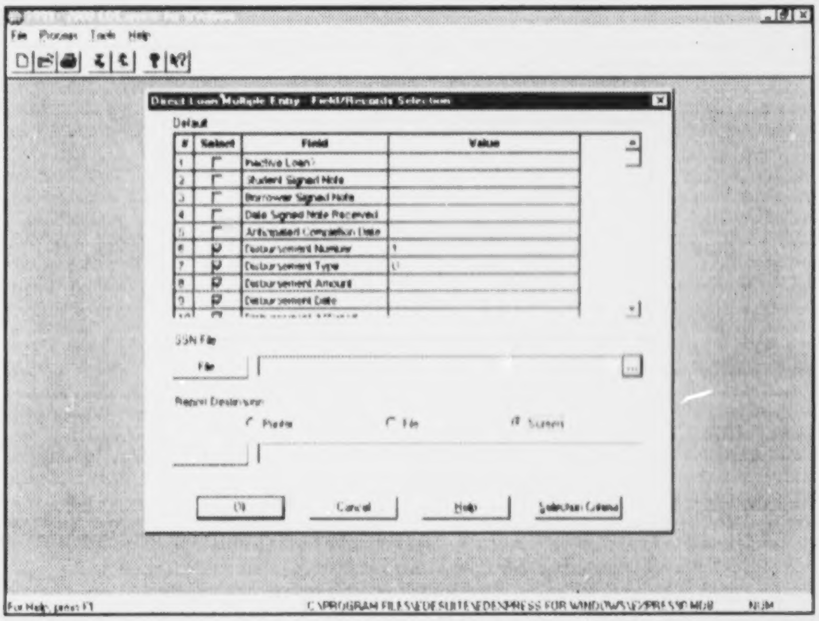
File
Record
View
Help
Direct Loan
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards

Entering Disbursements with Multiple Entry

The Multiple Entry function updates the actual disbursements for a batch of records at one time. In this example we will add disbursements for records that have an accepted promissory note.


1999 - 2000 EDExpress for Windows
File
Process
Tools
Help
Multiple Entry
Add Documents
Quick Correction
Package
Unpackage...
Repackage...
Global
Direct Loan
Packaging
Enter data for multiple records - DirectLoan
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRESS90.MDB
NUM

*Select **Process/Multiple Entry.../Direct Loan** from the main menu bar.*


File
Process
Tools
Help
Direct Loan Multiple Entry - Field/Records Selection
SSN File
File
...
Report Destination
Printer
File
Screen
OK
Cancel
Help
Selection Criteria
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRESS90.MDB
NUM

Default

#	Select	Field	Value
1	☐	Inactive Loan?	
2	☐	Student Signed Note	
3	☐	Borrower Signed Note	
4	☐	Date Signed Note Received	
5	☐	Anticipated Completion Date	
6	☑	Disbursement Number	1
7	☑	Disbursement Type	U
8	☑	Disbursement Amount	
9	☑	Disbursement Date	

*Click the **Disbursement Number** checkbox. Action type, amount, and date are checked for you since they must also be updated.*

*Click the value field and select disbursement number **1** and action type **U** to use the anticipated disbursement amounts.*

*Click **Screen**.*

*Click **Selection Criteria**.*

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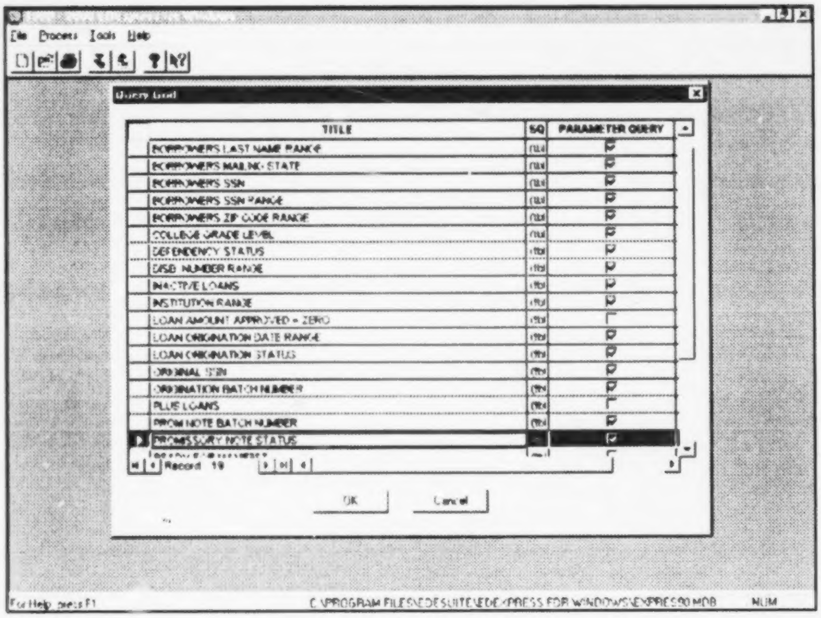
*Select **Promissory Note Status** from the list of queries.*

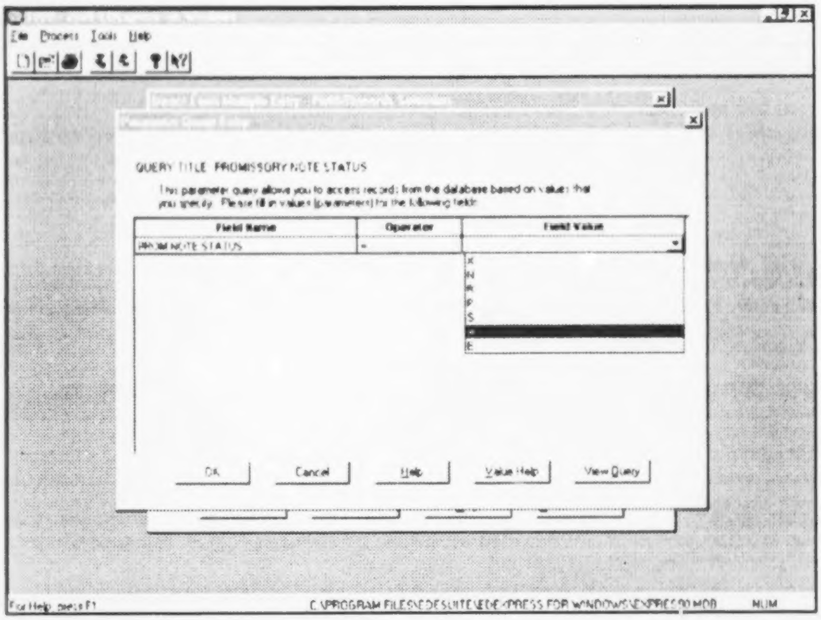
*Click **OK**.*


File Process Tools Help
Query Grid
Record 19
OK
Cancel
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRES90.MDB
NUM

	TITLE	SQ	PARAMETER QUERY
	BORROWER'S LAST NAME RANGE	[illegible]	☑
	BORROWER'S MAILING STATE	[illegible]	☑
	BORROWER'S SSN	[illegible]	☑
	BORROWER'S SSN RANGE	[illegible]	☑
	BORROWER'S ZIP CODE RANGE	[illegible]	☑
	COLLEGE GRADE LEVEL	[illegible]	☑
	DEPENDENCY STATUS	[illegible]	☑
	DISB. NUMBER RANGE	[illegible]	☑
	INACTIVE LOANS	[illegible]	☑
	INSTITUTION RANGE	[illegible]	☑
	LOAN AMOUNT APPROVED = ZERO	[illegible]	☐
	LOAN ORIGINATION DATE RANGE	[illegible]	☑
	LOAN ORIGINATION STATUS	[illegible]	☑
	ORIGINAL SSN	[illegible]	☑
	ORIGINATION BATCH NUMBER	[illegible]	☑
	PLUS LOANS	[illegible]	☐
	PROM NOTE BATCH NUMBER	[illegible]	☑
▶	PROMISSORY NOTE STATUS	[illegible]	☑

*Select **A** (accepted) as the Field Value.*

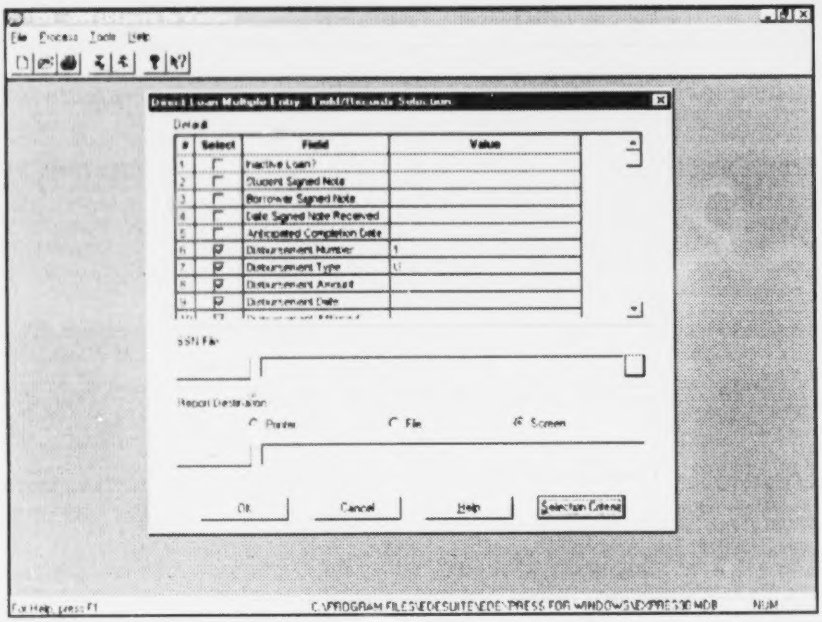
*Click **OK**.*


File Process Tools Help
OK
Cancel
Help
Value Help
View Query
X
N
R
P
S
E
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRES90.MDB
NUM

QUERY TITLE: PROMISSORY NOTE STATUS

This parameter query allows you to access records from the database based on values that you specify. Please fill in values (parameters) for the following fields:

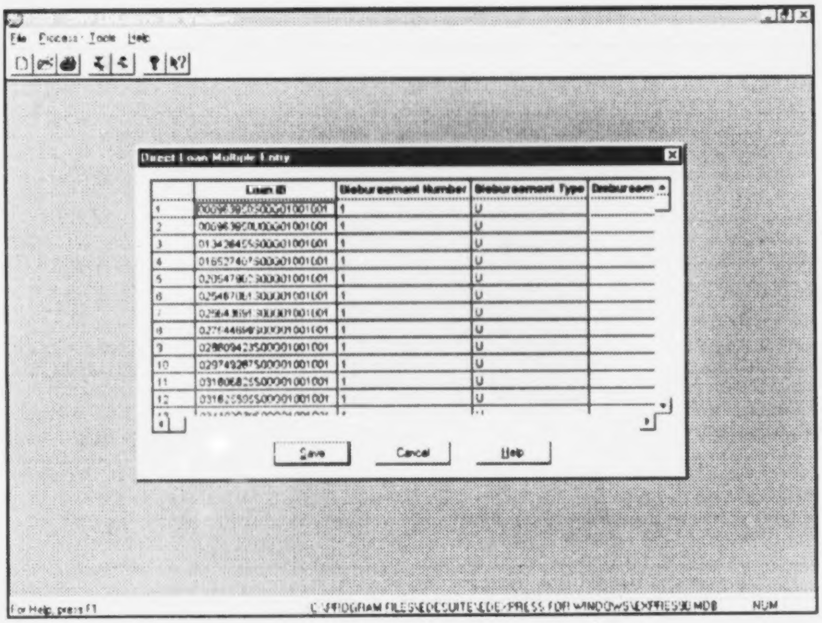
Field Name	Operator	Field Value
PROM NOTE STATUS	=	


File Process Tools Help
Direct Loan Multiple Entry - Field/Records Selection
Detail
SSN File
Report Destination
OK
Cancel
Help
Selection Criteria
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRES30.MDB
NUM

#	Select	Field	Value
1	☐	Inactive Loan?	
2	☐	Student Signed Note	
3	☐	Borrower Signed Note	
4	☐	Date Signed Note Received	
5	☐	Anticipated Completion Date	
6	☑	Disbursement Number	1
7	☑	Disbursement Type	U
8	☑	Disbursement Amount	
9	☑	Disbursement Date	

Report Destination: ○ Printer ○ File ● Screen

Click ***OK****.*

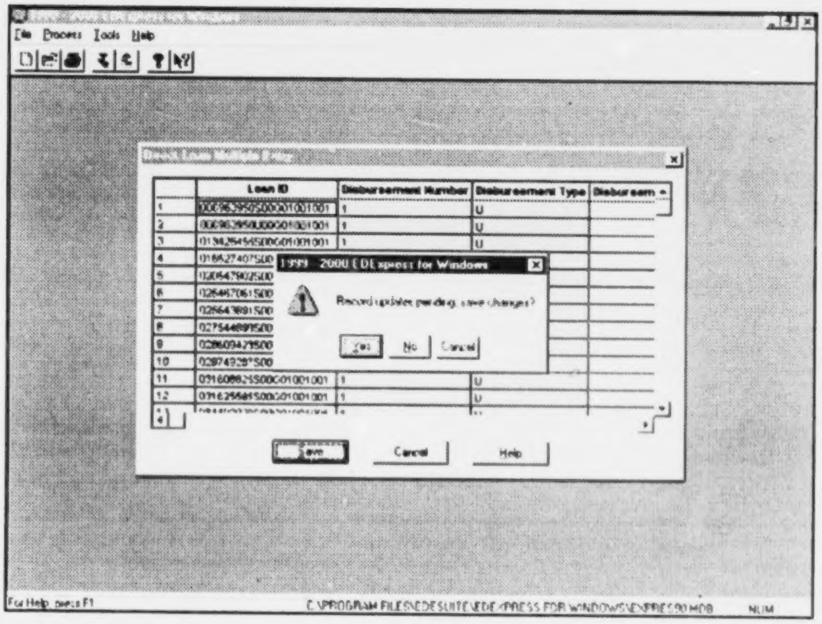

File Process Tools Help
Direct Loan Multiple Entry
Save
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRES30.MDB
NUM

	Loan ID	Disbursement Number	Disbursement Type	Disbursem
1	[illegible]	1	U	
2	[illegible]	1	U	
3	[illegible]	1	U	
4	[illegible]	1	U	
5	[illegible]	1	U	
6	[illegible]	1	U	
7	[illegible]	1	U	
8	[illegible]	1	U	
9	[illegible]	1	U	
10	[illegible]	1	U	
11	[illegible]	1	U	
12	[illegible]	1	U	

Review the records to be updated. When satisfied, click ***Save****.*

BEST COPY AVAILABLE

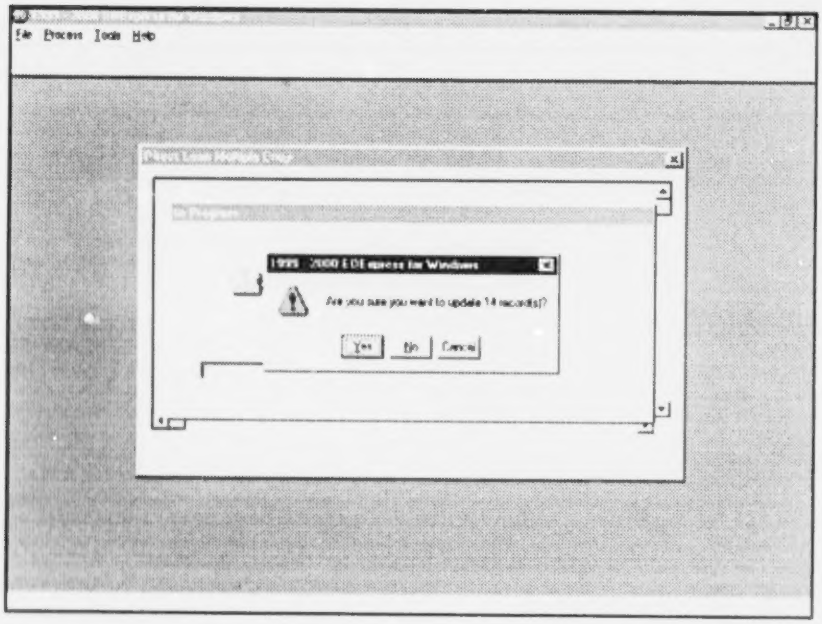
*Click **Yes**.*



File Process Tools Help
Loan ID
Disbursement Number
Disbursement Type
1999 - 2000 EDExpress for Windows
Yes
No
Cancel
Save
Cancel
Help
For Help, press F1
NUM

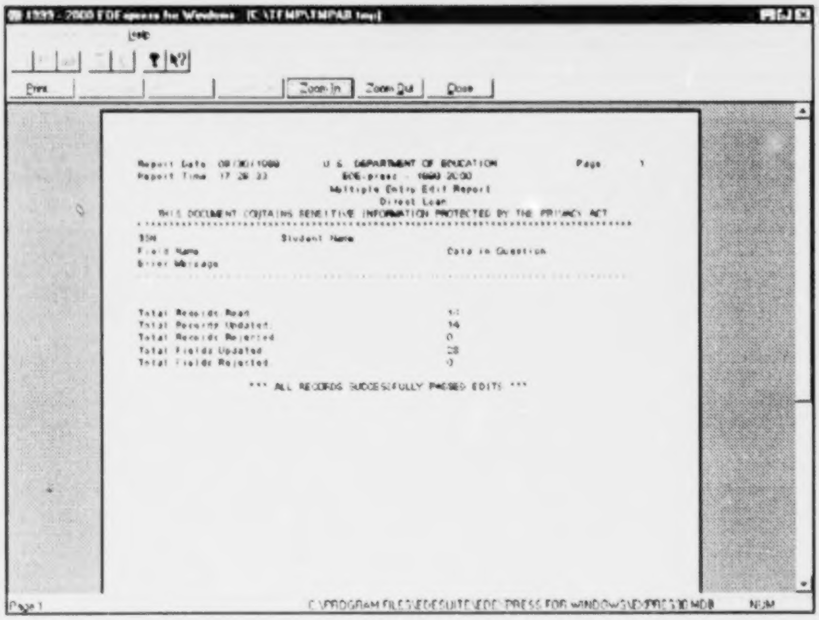
Record updates pending, save changes?

*Click **Yes** to confirm.*



File Process Tools Help
1999 - 2000 EDExpress for Windows
Yes
No
Cancel

Are you sure you want to update 14 record(s)?


1999 - 2000 EDExpress for Windows - [C:\TEMP\TMPAB.tmp]
Help
Print
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\EXPRESS30.MDB
NUM

```
Report Date  08/30/1999        U.S. DEPARTMENT OF EDUCATION             Page    1
Report Time  17:28:33              EDExpress - 1999-2000
                                Multiple Entry Edit Report
                                       Direct Loan
    THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
**********************************************************************************
SSN                       Student Name
Field Name                                          Data in Question
Error Message
----------------------------------------------------------------------------------


Total Records Read                                  14
Total Records Updated:                              14
Total Records Rejected                              0
Total Fields Updated                                28
Total Fields Rejected                               0

               *** ALL RECORDS SUCCESSFULLY PASSED EDITS ***
```

The edit report indicates that all fourteen records were updated.

Exporting Disbursement Records

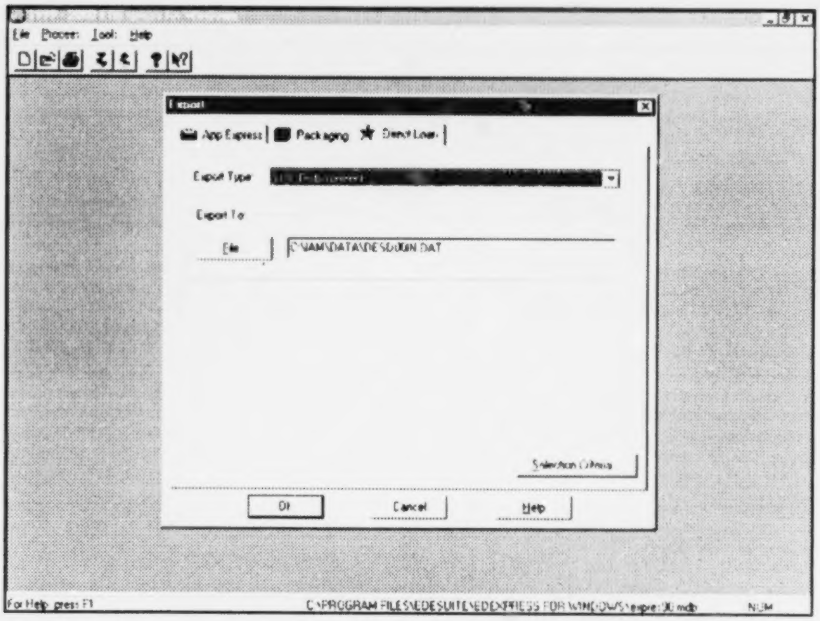
Once you have entered actual disbursement records, you must now export the data and send the file to the LOC. Similar to the export origination process, EDExpress will include all actual disbursement records with a Ready (R) status.

*Select **File/Export** from the menu or click the* ⮉ *button.*

*Click the **Direct Loan** tab.*

*Select as the export type: **LOC Disbursement**.*

*Click **OK**.*


File Process Tools Help
Export
App Express
Packaging
Direct Loan
Export Type
Export To
File
Selection Criteria
OK
Cancel
Help
For Help, press F1
NUM

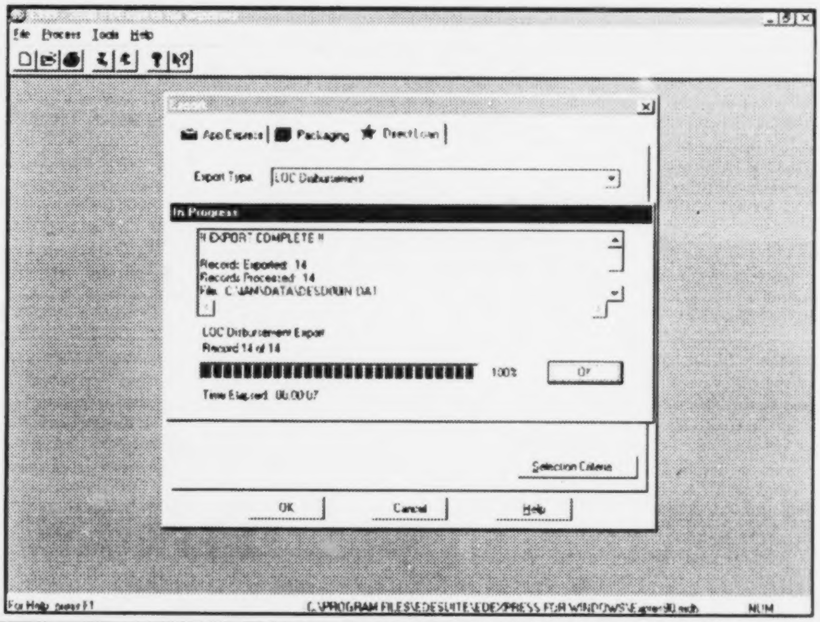
Export Type: LOC Disbursement

File: C:\AM\DATA\DESDJUN.DAT

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\expre..90.mdb

Scroll down to see the batch ID assigned to the export.

It is recommended that you record the batch ID and file name in your EDconnect transmission log.


File Process Tools Help
App Express
Packaging
Direct Loan
Export Type
In Progress
Selection Criteria
OK
Cancel
Help
For Help, press F1
NUM

Export Type: LOC Disbursement

```
** EXPORT COMPLETE **

Records Exported: 14
Records Processed: 14
File: C:\AM\DATA\DESDJUN.DAT
```

LOC Disbursement Export

Record 14 of 14

100%

Time Elapsed: 00:00:07

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre..90.mdb

Loan Origination Center Response and Actions

The LOC receives and processes the disbursement records sent by the school. Actual Disbursement, Actual Disbursement Adjustment, and Adjustment to Actual Disbursement Date are disbursement transactions considered to be unique disbursement records. They all must be exported and transmitted to the LOC.

The LOC matches first and subsequent disbursements against the specific loan record for the borrower previously established in the LOC's database. Each disbursement record is matched to a borrower/loan origination record and edited against other data such as loan amount and borrower status. The LOC edits and validates electronic disbursement records within one business day.

If the disbursement records are accepted by the LOC, the loan will be booked if the LOC also has an accepted loan origination record and accepted promissory note. If the disbursement record does not pass the edits, it is rejected and the school must resolve the error and resubmit the record.

Direct Loan Servicer Actions

After a disbursement record is accepted, the borrower's Direct Loan Servicer produces a Disbursement Notification letter within ten business days to notify the borrower of the disbursement and to re-disclose the terms of the loan. Each adjustment will initiate additional disbursement notifications.

The borrower is provided with a contact name and the toll-free number for the Direct Loan Servicer for information on the borrower's loan. Schools are also required to notify the borrower of each disbursement in accordance with Section 668.165 of the November 29, 1996 General Provisions Cash Management regulations.

After the borrower receives the notification from their Direct Loan Servicer, the borrower may contact the school or their servicer with any questions or concerns.

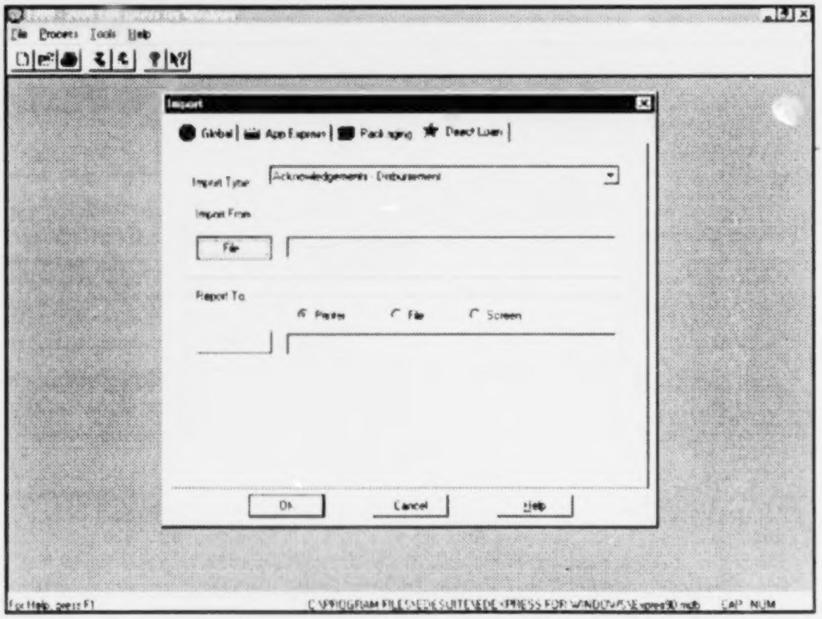
Importing Disbursement Acknowledgements

*Select **File/Import** from the menu or click the* ⤓ *button.*

*Click the **Direct Loan** tab.*

*Select **Acknowledgements-Disbursement** as the export type.*

*Click the **File...** button.*



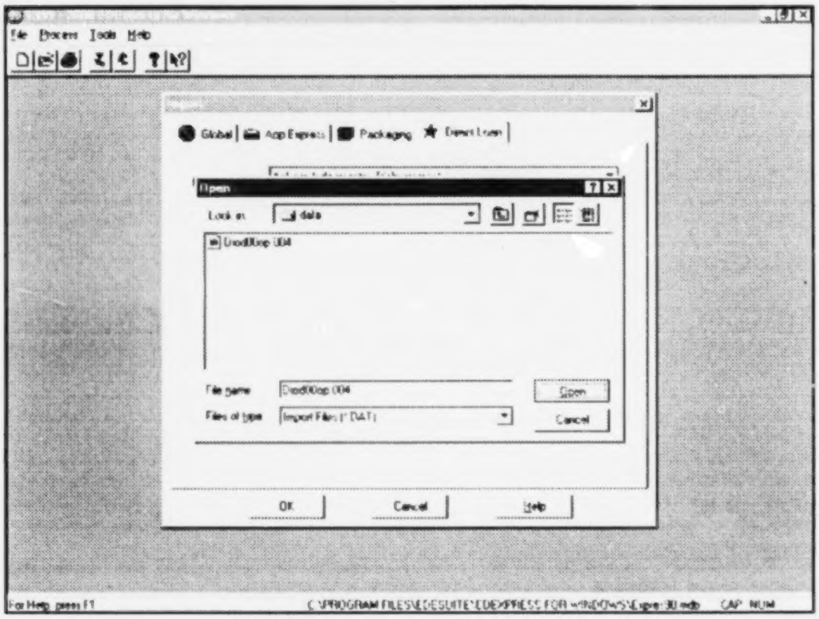
Import Type: Acknowledgements - Disbursement

Report To: ● Printer ○ File ○ Screen

File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Import From
File
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
CAP NUM

*Select the file **Diod00op.001**.*

*Click **OK**.*

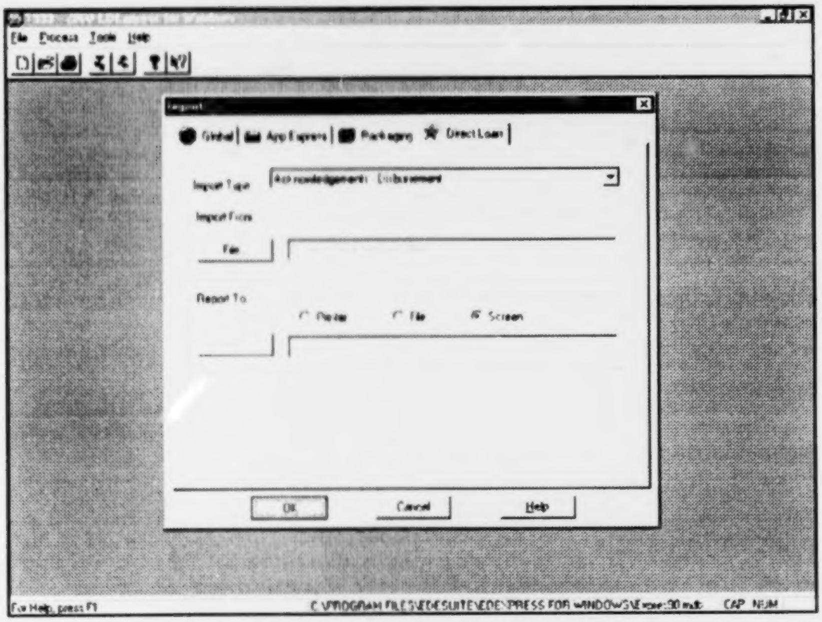


Look in: data

File name: Diod00op.004

Files of type: Import Files (*.DAT)

File Process Tools Help
Global
App Express
Packaging
Direct Loan
Open
Diod00op.004
Open
Cancel
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
CAP NUM


File Process Tools Help
Import
Global | App Express | Packaging | Direct Loan
File
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre~90.mdb CAP NUM

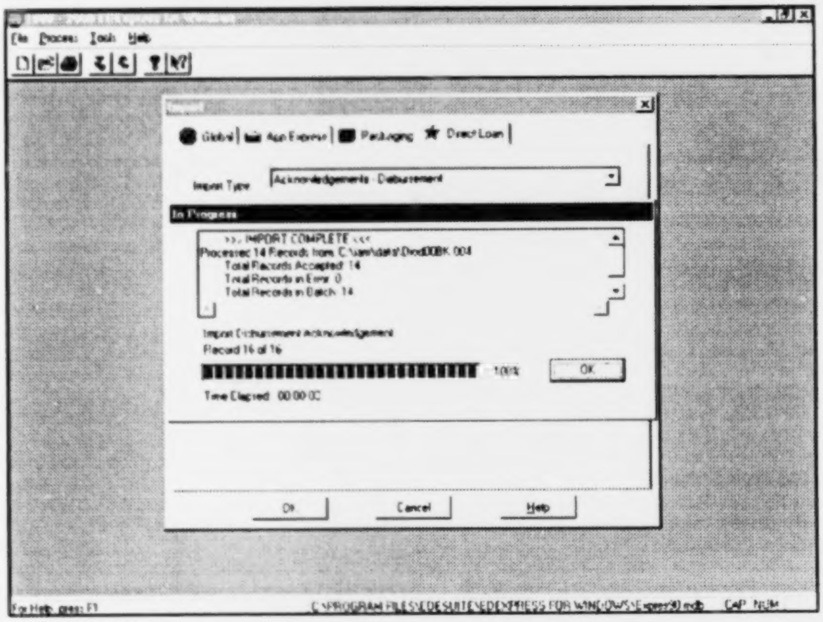
Import Type: Acknowledgements - Disbursement

Import From

Report To: ○ Printer ○ File ● Screen

Click **Screen**.

Click **OK**.


File Process Tools Help
Import
Global | App Express | Packaging | Direct Loan
In Progress
OK
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre~90.mdb CAP NUM

Import Type: Acknowledgements - Disbursement

```
      >>> IMPORT COMPLETE <<<
Processed 14 Records from C:\sam\data\Dird00BK.004
      Total Records Accepted: 14
      Total Records in Error: 0
      Total Records in Batch: 14
```

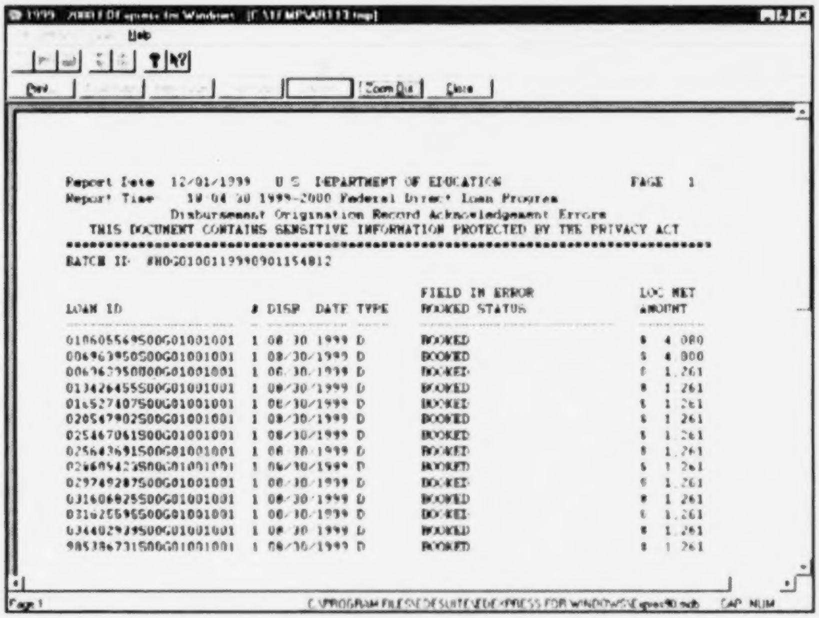
```
Import Disbursement Acknowledgement
Record 14 of 14
100%
Time Elapsed: 00:00:00
```

The In Progress box indicates that 14 records were imported.

This is the import report.

Use the scroll bars to view the entire report. The totals are listed at the bottom of the report.

*Remember that you can always print the report from this view by clicking the **Print...** button.*


1999-2000 EDExpress for Windows - [C:\TEMP\...]
Help
Print
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
CAP NUM

```
Report Date  12/01/1999   U S  DEPARTMENT OF EDUCATION            PAGE   1
Report Time     10 04 30 1999-2000 Federal Direct Loan Program
            Disbursement Origination Record Acknowledgement Errors
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*************************************************************************************
BATCH ID  #H0G01001199909011154812

                                                 FIELD IN ERROR               LOC NET
LOAN ID                    # DISB  DATE TYPE     BOOKED STATUS                AMOUNT
-------------------------  - ---------- ----   -------------------------   ----------
010605569S00G01001001      1 08 30 1999 D        BOOKED                      $  4,080
006963950S00G01001001      1 08/30/1999 D        BOOKED                      $  4,000
006963950S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
013426455S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
016527407S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
020547902S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
025467061S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
025643691S00G01001001      1 08 30 1999 D        BOOKED                      $  1,261
026609423S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
029749287S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
031606025S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
031625595S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
034402939S00G01001001      1 08 30 1999 D        BOOKED                      $  1,261
905386731S00G01001001      1 08/30/1999 D        BOOKED                      $  1,261
```

Loan Status

If all of the components of the loan (origination, promissory note, and disbursement) have been accepted, the disbursement acknowledgement will also set the booked status to "A." These disbursements and all subsequent disbursements on the loan will be included on the Direct Loan School Account Statement as booked transactions.

Handling Refunds and the Return of Title IV Funds

When a student withdraws, drops out, or is expelled, the school calculates an amot to be refunded for payments made for institutional charges. Once the school has determined the portion of funds to be returned, the school can either use their Direct Loan system to reduce the borrower's loan amount or send a check to the borrower's Direct Loan Servicer as a payment on the borrower's account (see section on the 120 Day Rule in Chapter 6, *Cash Management*).

Using the System

If a refund is due under the Title IV return of funds policy because of an event that occurred within 120 days of the disbursement date, the school returns the funds by either reducing the actual disbursement to zero (if the refund is greater than or equal to the entire disbursement) or by a downward adjustment of the actual disbursement (if the amount to be returned is less than the total amount disbursed).

When the school sends the actual disbursement adjustment to the LOC, the LOC sends the new loan amount information to the borrower's Direct Loan Servicer to update the borrower's account. The borrower then receives notification from the Direct Loan Servicer regarding the new loan amount and payment information.

By using the Direct Loan system to reduce the borrower's loan amount, the amount of the downward adjustment is returned to the school's Direct Loan cash on hand balance. Depending on the school's origination level, this may create unused funds for the school. If determined to be unused funds, the amount to be returned must be sent to the LOC (see the section on Unused Funds addressed in Chapter 6).

Sending a Check

If the event that has generated the return of funds has occurred more than 120 days from the date of actual disbursement, the school can only return the amount as a payment to the borrower's account. In this instance, the school sends a check to the borrower's Direct Loan Servicer with correspondence that the returned amount is to be handled as a payment on the borrower's account. The Direct Loan system is not used to reduce the borrower's loan amount and the school does not create an excess cash transaction for the check (see the section on payment addresses in Chapter 6).

Handling Payment of a Loan Balance/Fees

Note that effective July 1, 1998, if a school returns funds in order to comply with a statutory/regulatory requirement, all or a portion of the loan fee is returned—even if 121 days or more after disbursement (see 62 FR 63428, November 28, 1997).

What the School or Borrower Does

If a payment must be made after 120 days, the school or borrower must send a check to the borrower's Direct Loan Servicer with the appropriate information needed to apply the amount to late charges and collection costs and outstanding interest before crediting it to the principal balance. The borrower is responsible for the loan fees and any accrued interest on the original amount of the loan.

The 120 Day Rule

Refund (credit) of loan fee is given if:

School returns proceeds	Within 120 days of disbursement	*Always*
	More than 120 days after disbursement	*Only if complying with regulations/HEA*

Borrower returns proceeds	Within 120 days of disbursement	Not in repayment	*Always, unless written instructions otherwise*
		In repayment	*Only if written instructions*
	More than 120 days after disbursement	*No refund allowed*	

Handling Disbursement Adjustments

A disbursement adjustment is the return of a portion of the amount of a disbursement because of an event that occurred within 120 days of the disbursement date, such as:

- A disbursement amount was originally input incorrectly and must be corrected.
- A reduction in the amount of the student's eligibility requiring a downward adjustment to a disbursement.
- Funds are returned under the Title IV return of funds which is less than the full amount of the disbursement.

What the School Does

Other than to correct a data error, when an originating school adjusts a disbursement downward, it returns the net adjustment amount (the amount received back from the borrower) to the "Federal" account. Excess funds must be returned to the LOC. Option 1 and Standard origination schools return the net adjustment amount to the LOC. Option 2 schools may use the funds to disburse to another eligible borrower. All schools send disbursement adjustment records reflecting the adjustment to the LOC.

What the Borrower Does

The borrower is responsible for loan fees and accrued interest only on the total adjusted amount of the disbursement. Borrowers should return funds to the school if it is within the 120 days of disbursement. The school must return funds to the LOC. If the school tells the borrower to return the funds, the borrower must return the funds to the Servicing Center and include a letter stating what the funds are for (payment or return). If the borrower includes this letter, the borrower is responsible only for the loan fees and accrued interest on the adjusted amount of the disbursement. If no letter is included, the borrower is responsible for the loan fees and accrued interest on the entire disbursement amount.

Adjustments to Actual Disbursements

Any change to the initial disbursement amount generates a disbursement record called an adjustment. Each adjustment is a unique disbursement record with status flags.

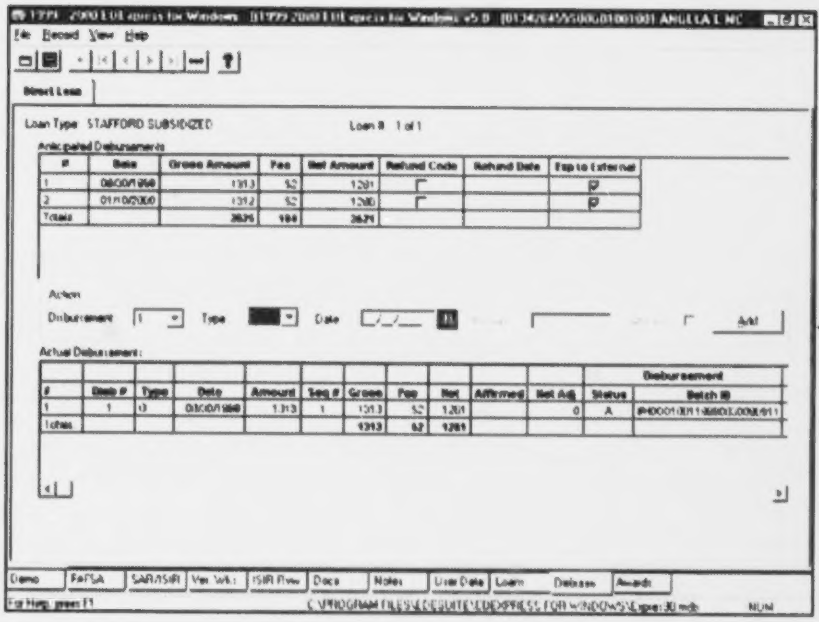
You can make as many adjustments to an individual actual disbursement as you wish. However, the following rules apply:

- The action type (Adjusted Gross or Adjusted Net) must correspond to the action type of the initial actual disbursement. For example, if you enter a first actual disbursement as a gross amount, you must enter an adjusted gross amount.

Initial Disbursement Action Type	Adjustment Action Type Options
G = Gross	A = Adjusted Gross
N = Net	J = Adjusted Net
U = Anticipated (Gross)	A = Adjusted Gross
G, N, or U	Q = Adjusted Date

- The sum of the actual disbursements cannot exceed the loan amount requested (Stafford) or loan amount approved (PLUS).
- You cannot enter a negative disbursement.
- Enter the new net or gross amount. Do not enter the difference between the original amount and the new amount. EDExpress calculates the adjustment amount for you.
- You cannot record more than one adjustment for the same disbursement number with the same disbursement date.

The following sequence demonstrates an adjustment made to one of the previously recorded disbursements.


File Record View Help
Direct Loan
Add
Demo FAFSA SAR/ISIR Ver Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards
For Help, press F1
NUM

Loan Type: STAFFORD SUBSIDIZED   Loan #: 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Disbursement: 1   Type: Date: __/__/____

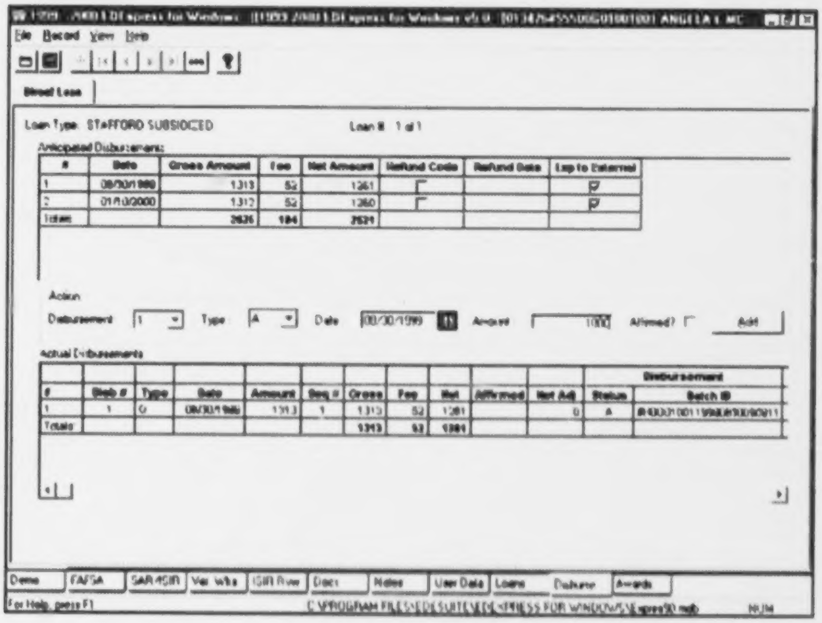
Actual Disbursements:

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	0	08/30/1999	1313	1	1313	52	1261		0	A	[illegible]
Totals						1313	52	1261				

Open the disbursement record.

To modify the first disbursement, select ***1*** *as the Disbursement.*

Enter ***A*** *as the Type.*


File Record View Help
Direct Loan
Add
Demo FAFSA SAR/ISIR Ver Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards
For Help, press F1
NUM

Loan Type: STAFFORD SUBSIDIZED   Loan #: 1 of 1

Anticipated Disbursements:

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Disbursement: 1   Type: A   Date: 08/30/1999   Amount: 1000   Affirmed? ☐

Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	0	08/30/1999	1313	1	1313	52	1261		0	A	[illegible]
Totals						1313	52	1261				

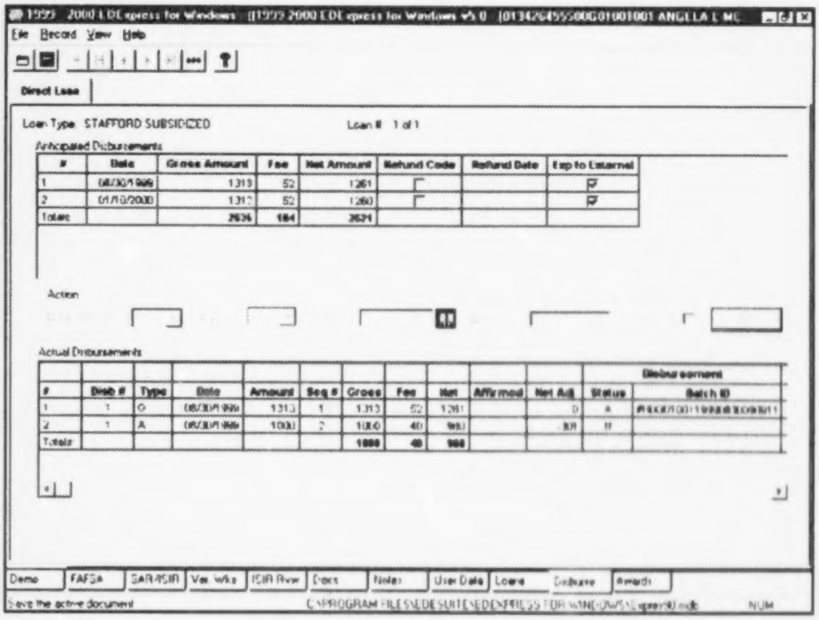
Enter ***08/30/1999*** *as the Action Date.*

Type ***1000*** *as the new Amount.*

Click the ***Add*** *button.*

BEST COPY AVAILABLE

The new disbursement record indicates a calculated net adjustment (net adj) of -$301.



1999 - 2000 EDExpress for Windows - [(1999-2000 EDExpress for Windows v5.0 - [013426455S00G01001001 ANGELA L MC

Loan Type: STAFFORD SUBSIDIZED Loan # 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

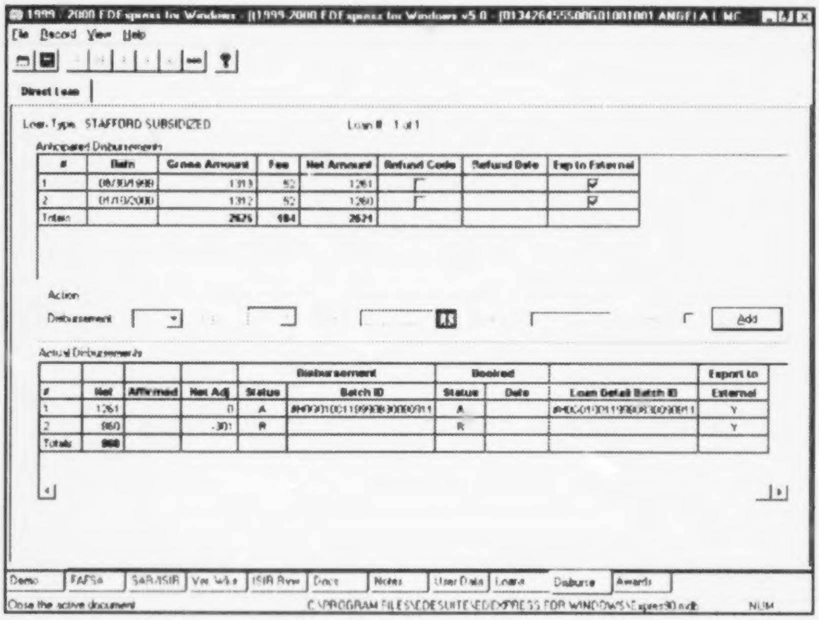
Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	O	08/30/1999	1313	1	1313	52	1261		0	A	[illegible]
2	1	A	08/30/1999	1000	2	1000	40	960		-301	R	
Totals						1000	40	960				

Save the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb

Scroll to the right to view the entire record.

Each actual disbursement transaction has its own status flags for disbursement and booking.



1999 - 2000 EDExpress for Windows - [(1999-2000 EDExpress for Windows v5.0 - [013426455S00G01001001 ANGELA L MC

Loan Type: STAFFORD SUBSIDIZED Loan # 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Disbursement

Actual Disbursements

				Disbursement		Booked			Export to
#	Net	Affirmed	Net Adj	Status	Batch ID	Status	Date	Loan Detail Batch ID	External
1	1261		0	A	[illegible]	A		[illegible]	Y
2	960		-301	R		R			Y
Totals	960								

Add
Close the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb

Handling Disbursement Adjustments to Zero

Adjusting a disbursement to zero is the return of the total disbursement amount received by either the school or the borrower, because of an event that occurred within 120 days of the disbursement date, such as:

- The school determines that the disbursement should not have been made.
- The borrower requests a cancellation.
- The borrower returns to the school all funds that have been disbursed.
- Funds are returned to the student under the Title IV return of funds policy which results in a partial or full return of the total amount disbursed.

What the School Does

An Option 2 school returns cancelled funds to its "Federal" account when the school has determined or has knowledge that an event listed above has happened. Option 1 and Standard origination schools return the net adjustment amount to the LOC. Option 2 schools may use the funds to disburse to another eligible borrower. Excess funds are to be returned to the LOC. All schools send disbursement and adjustment records to the LOC.

What the Borrower Does

The LOC cancels a borrower's disbursement if the funds are returned (from the school to the LOC or from the borrower to the Servicing Center) within 120 days of the disbursement date.

Students should return funds to the school if it is within 120 days after disbursement. If the school returns the *full amount* within 120 days, the funds are returned to the LOC. If the school does not return the funds (if the school refuses), the student must send funds to the Servicing Center with a letter stating how the funds should be applied (i.e., payment or cancellation).

Adjusting Actual Disbursements to $0

Adjusting actual disbursements to $0 is handled the same way as an adjustment to an actual disbursement. Actual disbursements that need to be canceled should be adjusted down to $0. First, enter the actual disbursement number to be adjusted, a disbursement type (A/J), a disbursement date, and the disbursement amount of $0.

Adjustments of actual disbursements down to $0 require you to export disbursement records to the LOC. By adjusting an individual actual disbursement to $0, you create an actual disbursement record for each disbursement adjustment.

The following rules apply to adjusting an actual disbursement down to $0 after an actual disbursement has already been posted:

- You can always adjust an actual disbursement back up to a positive amount.
- An adjustment always applies to the current amount of the disbursement number.
- The Disbursement type A (adjusted gross) or J (adjusted net) must correspond to the disbursement type of the initial actual disbursement. For example, if you enter the first actual disbursement as a gross amount, your adjustment to $0 must be a gross amount.
- Ensure that all disbursements and prior adjustments have been accepted by the LOC (disbursement status = A) before reducing an actual disbursement to $0.
- You must export change records and disbursement records to the LOC if you also adjust the Loan Amount Approved to $0. Export and transmit the disbursement batch before the change batch.

Tip:

If all actual disbursements are adjusted to $0, you will have the option of marking the loan as inactive from the Loans tab. This will add a checkmark to the "Inactivate?" box. Loan and disbursement cancellations are no longer available. The inactive box is not a field that is transmitted to the LOC.

NEW!

Adjustments to the Loan

To provide a school flexibility to activate or disburse a loan at a later date, each loan can be adjusted down to $0 or up from $0. The loan and/or the disbursement record is maintained.

Adjust Actual Disbrsement to $0

1. Add adjustment record with amount of $0 for desired disbursement.
2. Export disbursements and send to LOC.
3. LOC accepts records.
4. Import disbursement acknowledgement.

The Loan amount approved may need to be adjusted down to reflect any eligibility change.

Adjust Entire Loan to $0

To adjust an entire loan to $0 that has actual disbursements recorded and submitted to the LOC, the following steps must occur:

1. Actual disbursement amount must be adjusted to $0.
2. Export disbursements and send to the LOC.
3. LOC accepts records.
4. Adjust Anticipated Disbursements to $0.
5. Adjust Loan Amount Approved to $0.
6. Set the Inactive Loan flag.
7. Export and send change record to the LOC.

Due to the way rounding is performed, it is possible for the LOC to have a difference of $1 between a school's actual disbursement gross amount and the LOC's actual disbursement gross amount. Therefore, a Loan Amount Approved changed to $0 is accepted if the actual disbursement gross amount at the LOC is $1 or $-1.

Increase a Loan from $0

To increase a loan from $0 the following steps must occur in this order:

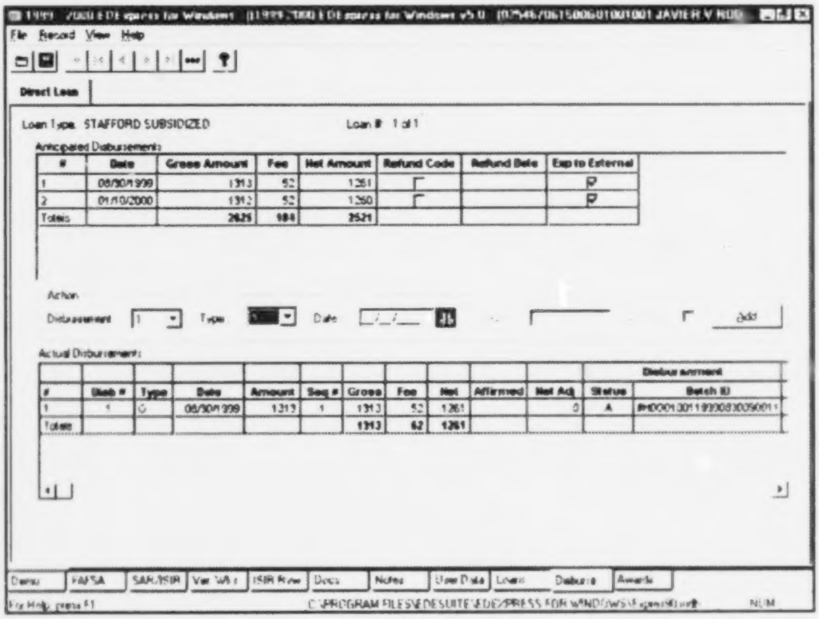
1. Increase the Loan Amount Approved.
2. Increase the Anticipated Disbursement amounts.
3. Export and send a change record to the LOC.
4. Increase Actual Disbursement amounts.
5. Export and send the disbursement record to the LOC.

NEW!

Adjusting an Individual Disbursement to Zero

Open the disbursement record.

The first disbursement has already been made.


File
Record
View
Help
Direct Loan
Add
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
NUM

Loan Type: STAFFORD SUBSIDIZED Loan #: 1 of 1

Anticipated Disbursements:

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Disbursement: 1 Type: Date: __/__/____ ☐

Actual Disbursements:

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	[illegible]	08/30/1999	1313	1	1313	52	1261		0	A	[illegible]
Totals						1313	62	1261				

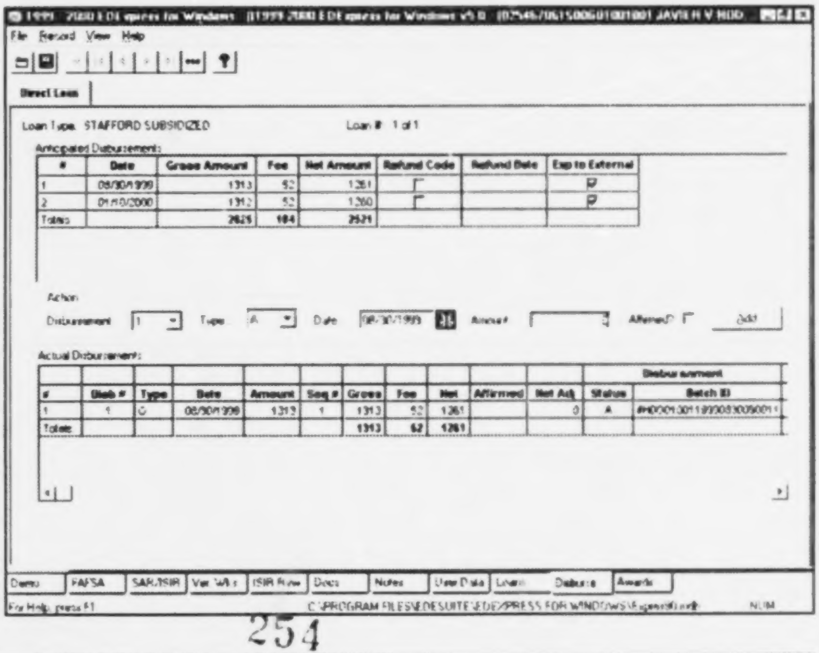
Type **1** to change the first disbursement.

Type **A** to change the adjusted gross disbursement.

Enter the date.

Enter **0** as the amount.

Click **Add**.


File
Record
View
Help
Direct Loan
Add
Demo
FAFSA
SAR/ISIR
Ver. Wks
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
NUM

Loan Type: STAFFORD SUBSIDIZED Loan #: 1 of 1

Anticipated Disbursements:

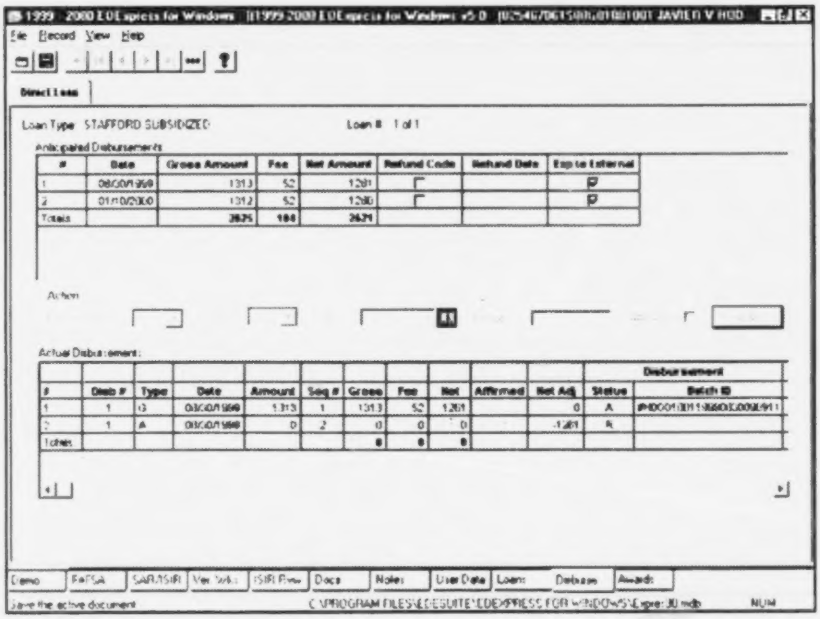
#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Disbursement: 1 Type: A Date: 08/30/1999 Amount: Affirmed? ☐

Actual Disbursements:

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	[illegible]	08/30/1999	1313	1	1313	52	1261		0	A	[illegible]
Totals						1313	62	1261				



1999 - 2000 EDExpress for Windows - [1999 2000 EDExpress for Windows v5.0 - [123456789 JAVIER V HOD]
File Record View Help
Direct Loan

Loan Type STAFFORD SUBSIDIZED   Loan # 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
Totals		2625	104	2521			

Action

Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	G	08/30/1999	1313	1	1313	52	1261		0	A	[illegible]
2	1	A	08/30/1999	0	2	0	0	0		-1261	R	
Totals						0	0	0				

Save the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre 30.mdb

The actual disbursement has been adjusted to zero.

NEW!

Adjusting the Disbursement Date

If you have incorrectly recorded the date of the actual disbursement, use Disbursement Type "Q" (adjusted disbursement date) to adjust the date field only.

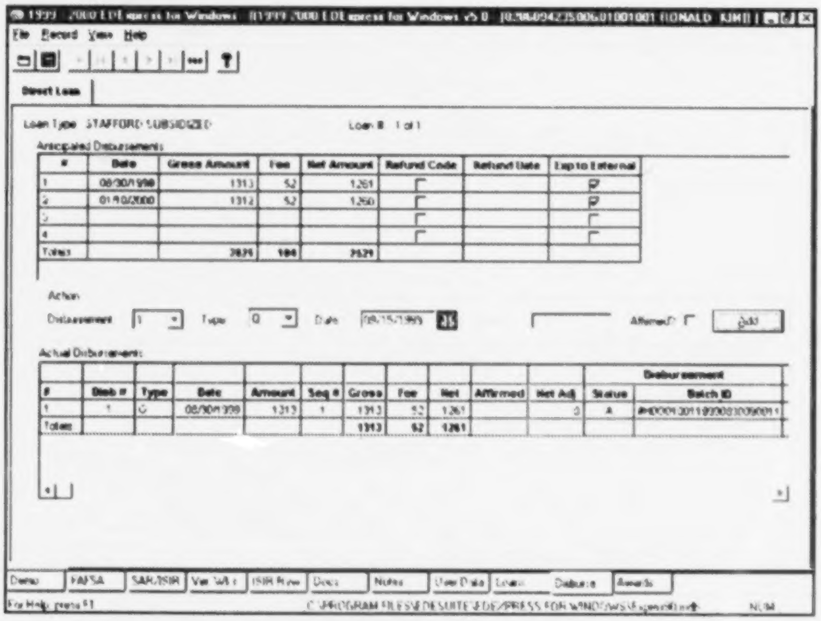
Open the Disbursement record.

Enter **1** as the Disbursement and **Q** (adjusted disbursement date) as the Type.

Enter the new disbursement date or use the **calendar** button to select a date.

Click **Add**.

Click the **Save** button to save the change.


File Record View Help
Direct Loan
Add
Demo
FAFSA
SAR/ISIR
Ver W/s
ISIR Rvw
Docs
Notes
User Data
Loans
Disburse
Awards
For Help, press F1
NUM

Loan Type: STAFFORD SUBSIDIZED   Loan #: 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/30/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1250	☐		☑
3					☐		☐
4					☐		☐
Totals		[illegible]	104	[illegible]			

Action

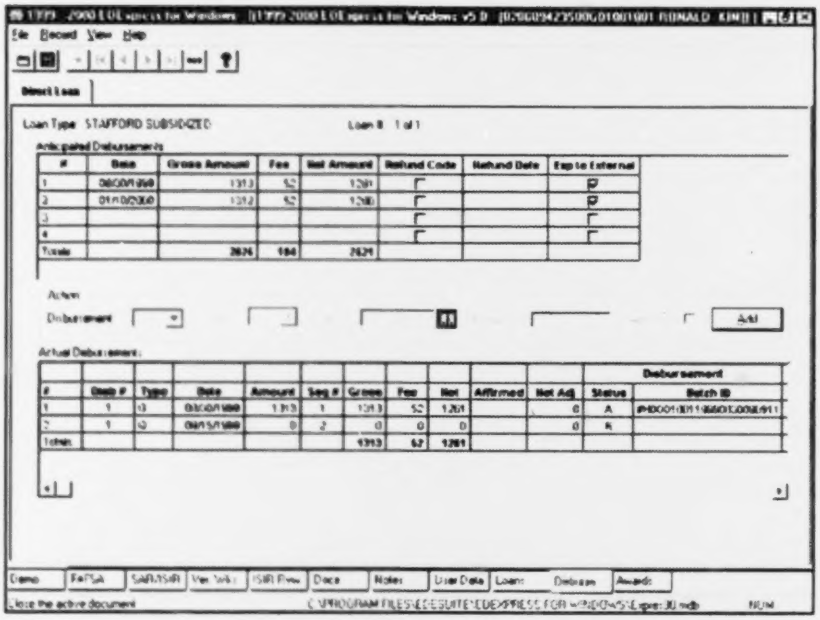
Disbursement: 1 Type: Q Date: 09/15/1999 Affirmed? ☐

Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	Q	08/30/1999	1313	1	1313	52	1261		0	A	[illegible]
Totals						1313	52	1261				

Tip:

The disbursement for which you need to change the date must have a status of B (batched) or A (accepted). If you identify a mistake in the Q transaction entry and the record has not been batched, just delete the record and start over.



1999 - 2000 EDExpress for Windows - [1999-2000 EDExpress for Windows v5.0 - [RONALD KIM]]
File Record View Help
Direct Loan
Action
Disbursement
Add
Demo FAFSA SAR/ISIR Ver. Wks ISIR Rvw Docs Notes User Data Loans Disburse Awards
Close the active document
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres30.mdb
NUM

Loan Type STAFFORD SUBSIDIZED

Loan # 1 of 1

Anticipated Disbursements

#	Date	Gross Amount	Fee	Net Amount	Refund Code	Refund Date	Exp to External
1	08/20/1999	1313	52	1261	☐		☑
2	01/10/2000	1312	52	1260	☐		☑
3					☐		☐
4					☐		☐
Totals		2625	104	2521			

Actual Disbursements

											Disbursement	
#	Disb #	Type	Date	Amount	Seq #	Gross	Fee	Net	Affirmed	Net Adj	Status	Batch ID
1	1	D	08/20/1999	1313	1	1313	52	1261		0	A	[illegible]
2	1	D	08/15/1999	0	2	0	0	0		0	R	
Totals						1313	52	1261				

A second line was added to adjust the disbursement date.

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Apply What You Know

Enter an Actual Disbursement

1. Select **File/Open** from the menu bar.
2. Type the SSN or name and click **OK** or click the **Ellipsis (...)** button or the **ISIR** button to display a list of records in the database and click on the record to select it. Click **OK**.
3. Select the appropriate loan ID and click **OK** if you have more than one loan record for the student.
4. Click the **Disburse** tab at the bottom of the screen.

If the student has more than one loan record, choose the appropriate loan ID by clicking **Record/Retrieve** on the menu bar. Select the correct loan ID from the list.

5. Click the **down arrow** in the disbursement number box and select the number of the disbursement you are taking action on. Or type the number of the disbursement.
6. Click the **down arrow** in the Disbursement Type box to display and select the action type for each disbursement (G, N, A, J, U, Q).
7. Type the date the action was taken on this disbursement, in MMDDCCYY format.
8. Type the disbursement amount, which is the amount of the disbursement.
9. Click the **Add** button to insert the information into the Actual Disbursements table.
10. Select **File/Save** from the menu bar to save the changes.

When you save an actual disbursement, a disbursement record is generated that you must export. Also, the booked flag for the disbursement is set to R for "Ready to book."

11. Select **File/Close** to exit the record.

To enter more than one transaction, you must save the record before entering an additional transaction. If you add a transaction to the table and want to remove it, close the current record without saving. Return to the record and enter the correct transaction.

Edit Multiple Loan Records

1. Select **Process/Multiple Entry** from the menu bar.
2. Click **Direct Loan**. The Multiple Loan Entry dialog box appears.
3. Choose the fields you want to update by clicking in the Select box next to the field name. To update actual disbursements select **Disbursement Number, Disbursement Type, Disbursement Amount** and **Disbursement Date**. Enter in the appropriate values in the Values column. Select the value of U to use the anticipated disbursement amounts stored on the record.

4. Click the **Selection Criteria** button to choose the records you want to update. If you do not use Selection Criteria, EDExpress attempts to update all the records on your database. Records for which the updates are not valid appear on the edit report.
5. Select the Query from the Query Grid. One example is to select records with a promissory note status of accepted.
7. Click **Screen, File**, or **Printer** as the output destination for the Multiple Entry Edit report. This report informs you of any errors made in the entry process.

If you want to send the report to a file:

Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

Remember that if you print to a file, no hard copy prints on your printer.

8. Click **OK** when you are finished. A screen containing the names of all students you are preparing to update appears.
9. Review the list and make any necessary changes. When all information is correct, click **Save**.

Adjust Actual Disbursement Amounts

1. Select **File/Open** from the menu bar.
2. Type the SSN and click **OK** or click the **Ellipsis (...)** button or the ISIR button to display a list of records in the database and click on the record to select it. Click **OK**.
3. Click the **Disburse** tab at the bottom of the screen.

If the student has more than one loan record, choose the appropriate loan ID by clicking on **Record/Retrieve** on the menu bar. Select the correct loan ID from the list.

4. Go to the Disbursement Number Box located between the Anticipated and Actual Disbursement tables and select or type the number of the disbursement you are adjusting.
5. Enter the Disbursement Type **A** for a gross adjustment or **J** for a net adjustment.
6. Enter the **Disbursement Date** when you made the adjustment.
7. Type the new, adjusted amount of the disbursement for Disbursement Amount.
8. Click **Add.** EDExpress calculates the net adjustment amount, adds a line to the table with the adjustment, and calculates a new total.
9. Select **File/Save** from the menu bar to save the changes.

Adjust an Actual Disbursement to $0

1. Select **File/Open** from the menu bar.
2. Type the SSN and click **OK** or click the **Ellipsis (...)** button or the **ISIR** button to display a list of records in the database and click on the record to select it. Click **OK**.
3. Click the **Disburse** tab at the bottom of the screen.

If the student has more than one loan record, choose the appropriate loan ID by clicking on **Record/Retrieve** on the menu bar. Select the correct loan ID from the list.

4. Go to the **Disbursement Number Box** located between the Anticipated and Actual Disbursement tables and select or type the number of the disbursement you are adjusting to $0.
5. Enter the Disbursement Type **A** for a gross adjustment or **J** for a net adjustment.
6. Enter the **Disbursement Date** when you made the adjustment.
7. Type the new, adjusted amount of **$0** for the Disbursement Amount.
8. Click **ADD**. EDExpress calculates the net adjustment amount, adds a line to the table with the adjustment, and calculates a new total.
9. Select File, Save from the menu bar to save the changes when you are finished.
10. If you adjust all actual disbursements down to $0, you will be prompted to mark the entire loan as "Inactive." You may mark this loan as "Inactive" by clicking on **OK** when the Inactive prompt is displayed.
11. Select **File/Close** from the menu bar to close the record.

Adjust Actual Disbursement Dates

1. Select **File/Open** from the menu bar.
2. Type the SSN and click **OK** or click the **Ellipsis (...)** button to display a list of records in the database and click on the record to select it. Click **OK**.
3. Click the **Disburse** tab at the bottom of the screen. If the student has more than one loan record, choose the appropriate loan ID by clicking on **Record/Retrieve** on the menu bar. Select the correct loan ID from the list.
4. Go to the **Disbursement Number Box** on the Actual Disbursement table and select or type the number of the disbursement you are adjusting.
5. Enter the Disbursement Type **Q** for a disbursement date adjustment.
6. Enter the new **Disbursement Date** for the actual disbursement.
7. Click **Add**. EDExpress adds a line to the table with the adjustment.
8. Select **File/Save** from the menu bar to save the changes.

Discussion Questions for Chapter 7

1. What are the three ways to record an actual disbursement in EDExpress?

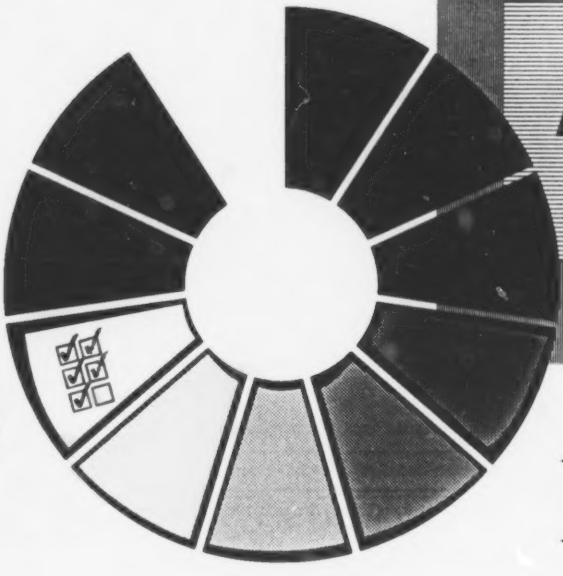
2. Must the school obtain the signed, completed promissory note no later than 10 days after disbursing funds to the student?

3. Can an Option 2 school report a Direct Loan disbursement up to 20 days before the first day of classes of a payment period?

4. Do you always record the adjustment amount as the difference between the original disbursement amount and the new disbursement amount in EDExpress?

Chapter 8

Reconciliation



Reconciliation helps you ensure that the loan data stored at the LOC agrees with the information on your system. This is accomplished through the use of a report sent to you by the LOC. In this chapter you will learn how to get the report and how to use it.

8 Reconciliation

Objectives

1. Identify the elements of the Direct Loan School Account Statement (DLSAS).
2. Use the Import function to import and print the DLSAS.
3. Understand the responsibilities of the Loan Origination Center and the school in reconciliation.
4. Identify and resolve discrepancies.
5. Use the Import function to create a loan detail exception report.

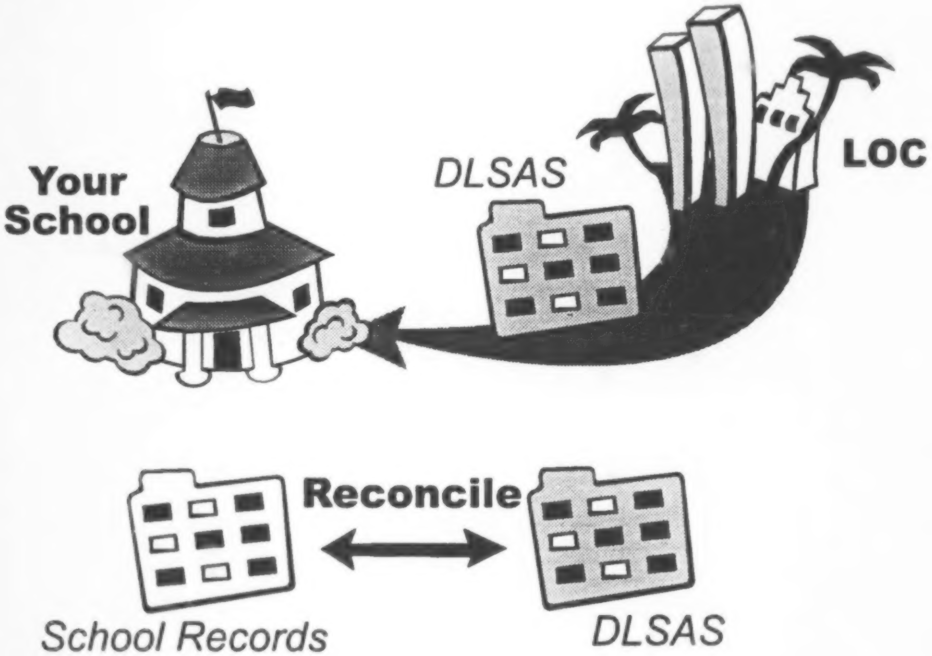
Defining Reconciliation

Reconciliation in the Direct Loan Program is the process by which the Direct Loan cash balance reported by the Loan Origination Center is reviewed and compared by the school with the school's internal records on a monthly basis. The LOC will initiate the reconciliation process.

Direct Loan School Account Statement (DLSAS)

Each month the LOC will send schools in the Direct Loan Program an electronic file called the Direct Loan School Account Statement (DLSAS). The DLSAS will be sent using the Message class DSAS00OP and Batch type AS. This electronic file may be imported and formatted for printing a report that will look similar to a bank statement.

A DLSAS is generated for each Direct Loan School at the end of each calendar month. Schools will receive the DLSAS on approximately the same date each month. In order to comply with the reconciliation requirement, each school is responsible for reviewing and comparing each DLSAS to their internal records to ensure the accuracy of the data on both the school's system and the LOC's system.



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The ending cash balance on the monthly statement represents the Department of Education's cash balance for the school. It is the responsibility of the school to verify that balance with the school's internal records and to correct any discrepancies. At the conclusion of a school's processing for an academic year, the ending cash balance for a school should be zero. School drawdowns should equal disbursements and returns of unused funds for the year.

Note:

A separate DLSAS will be sent for each academic year that the school participates in the Direct Loan Program, until that academic year is closed out as directed by the department. Since it is possible that up to three academic years may be open at one time, a school may receive up to three statements for each month.

DLSAS Reports

When the school imports the DLSAS, the following reports are created:

- Cash Summary
- Cash Detail
- Loan Detail (optional)

Cash Summary

The Cash Summary for each month begins with the ending cash balance from the previous month. At the beginning of each academic year, the beginning cash balance should be zero.

The Cash Summary summarizes all drawdowns received by the school during the month as reported to the LOC by the Department of Education's Grants Administration and Payment System (GAPS). It also summarizes excess cash returned by the school and received by the LOC during the month. Drawdowns will be included in the statement for the month the school received the drawdown. Return of excess cash transactions will also be included on the statement for the month in which the excess cash was received by the LOC.

The Cash Summary summarizes all disbursement transactions (actual disbursements, adjustments and cancellations) acknowledged by the LOC during the month for booked loans only. Disbursement transactions are included on the statement for the month in which the transaction was acknowledged by the LOC, regardless of the date of the transaction. For example, a disbursement that has a disbursement date of September 30 that is received and acknowledged by the LOC on October 2 will be included in the October DLSAS. The ending cash balance indicates the cash balance at the end of each month for all cash transactions and disbursement transactions for booked loans.

The Cash Summary also summarizes all accepted disbursement transactions reported by the school to the LOC for loans that have not booked by the end of the month.

Cash Detail

The Cash Detail provides a detail listing of all drawdowns and excess cash returned and is always included with the DLSAS. Information in the cash detail section should be compared with the school's internal records and bank statements. The LOC obtains this information directly from GAPS for drawdowns and the LOC's own records for excess cash returned.

Cash Detail records are sorted in ascending transaction date order.

The Cash Detail section includes two new fields:

NEW!

1. Check Number
2. GAPS Control Number

Loan Detail (optional)

Schools have the option of receiving only the Cash Summary and Cash Detail portions of DLSAS (i.e., without loan detail records). If the school decides not to receive the loan detail on a regular basis, the school can request loan detail for any previous monthly statement if needed by calling your customer service representative at the LOC.

The DLSAS file will include the following information for schools who choose to receive loan detail:

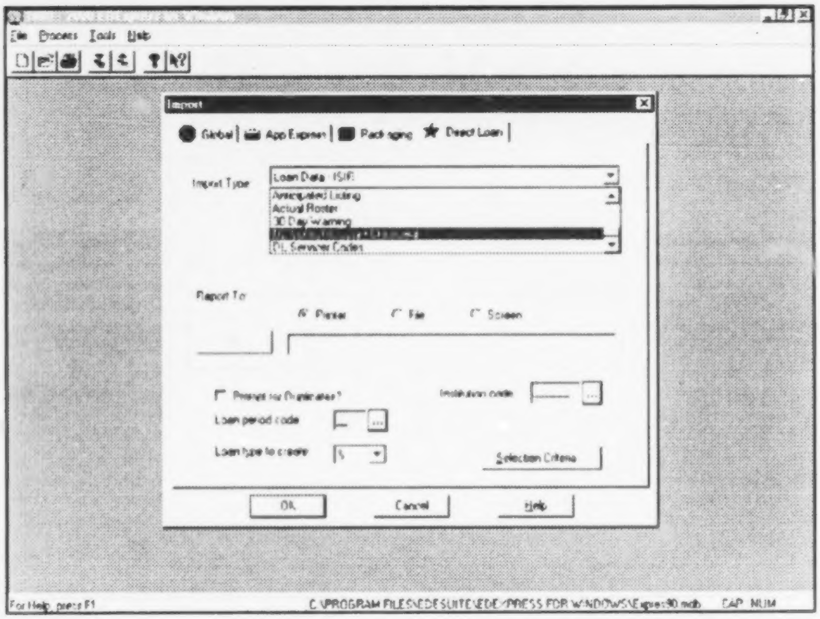
- Booked disbursement transactions acknowledged during the month, sorted by Loan ID.
- Accepted but unbooked disbursement transactions for the academic year as of the end of the monthly statement.
- Disbursement Booked Date at the LOC.
- Adjusted Disbursement Date transactions are **NOT** reported on the DLSAS.

Importing the DLSAS

*To import the DLSAS, click **File/Import** or click the import icon.*

*Select the **Direct Loan** tab.*

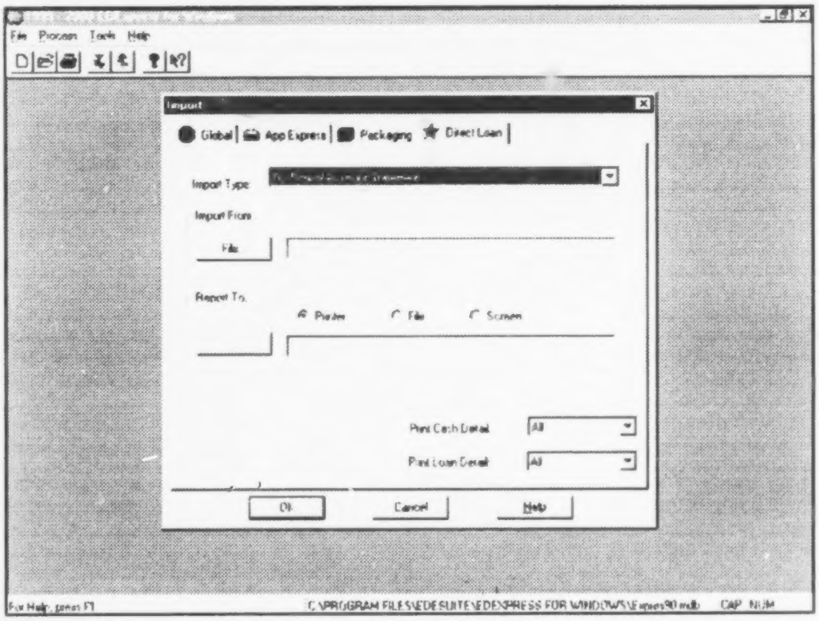
*Click the **down arrow** in the Import Type file and select **DL School Account Statement**.*


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Anticipated Listing
Actual Roster
30 Day Warning
DL Servicer Codes
Report To
Printer
File
Screen
Prompt for Duplicates?
Institution code
Loan period code
Loan type to create
Selection Criteria
OK
Cancel
Help
For Help, press F1
CAP NUM

Import Type: Loan Data - ISIR

Loan type to create: S

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Import From
File
Report To
Printer
File
Screen
OK
Cancel
Help
For Help, press F1
CAP NUM

Import Type: DL School Account Statement

Print Cash Detail: All

Print Loan Detail: All

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb

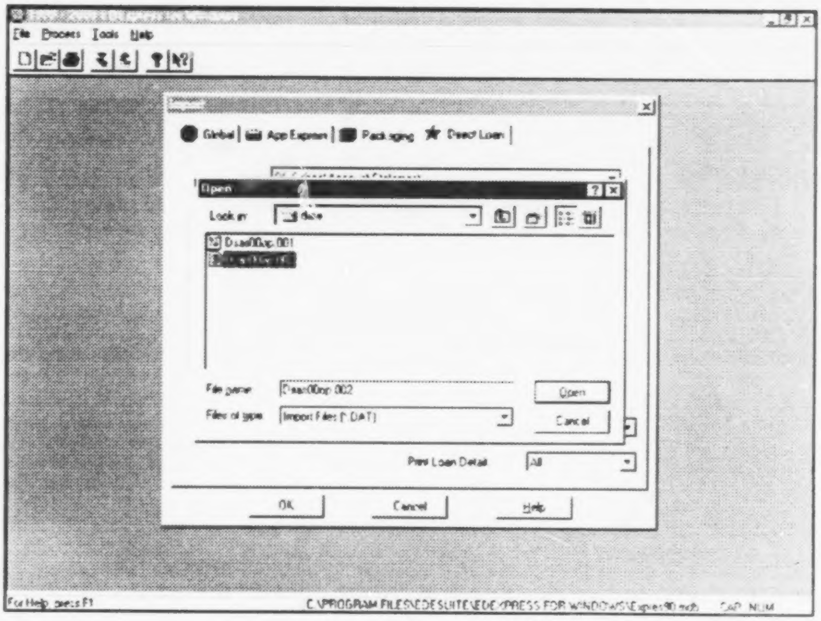
*Click **File**.*

*Select the **Dsas00op.002** file.*

*You have three options for printing Cash Detail information: all cash data, data for receipts of cash only, or data for excess cash receipts only. We have selected **All** cash data.*

*You also have thee options for printing the loan detail portion of the report: all loans, data for booked loans only, or data for unbooked loans only. We have selected **All**.*

*Click **Open**.*


File
Process
Tools
Help
Global
App Express
Packaging
Direct Loan
Open
Look in:
Dsas00op.001
Open
Cancel
OK
Cancel
Help
For Help, press F1
CAP NUM

File name: Dsas00op.002

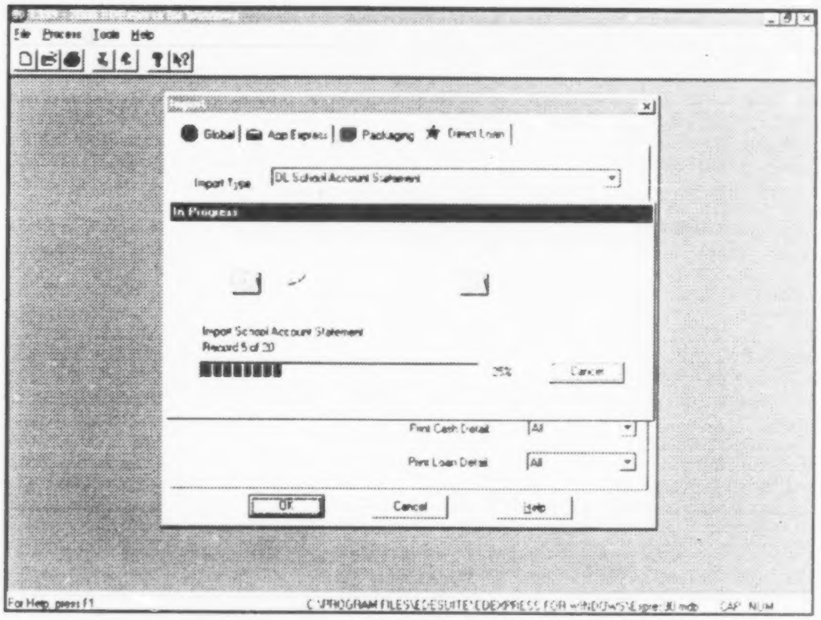
Files of type: Import Files (*.DAT)

Print Loan Detail: All

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb

*Click **OK** to begin the import.*

A progress bar shows the import taking place.


File
Process
Tools
Help
Global
App Express
Packaging
Direct Loan
In Progress
Cancel
OK
Cancel
Help
For Help, press F1
CAP NUM

Import Type: DL School Account Statement

Import School Account Statement

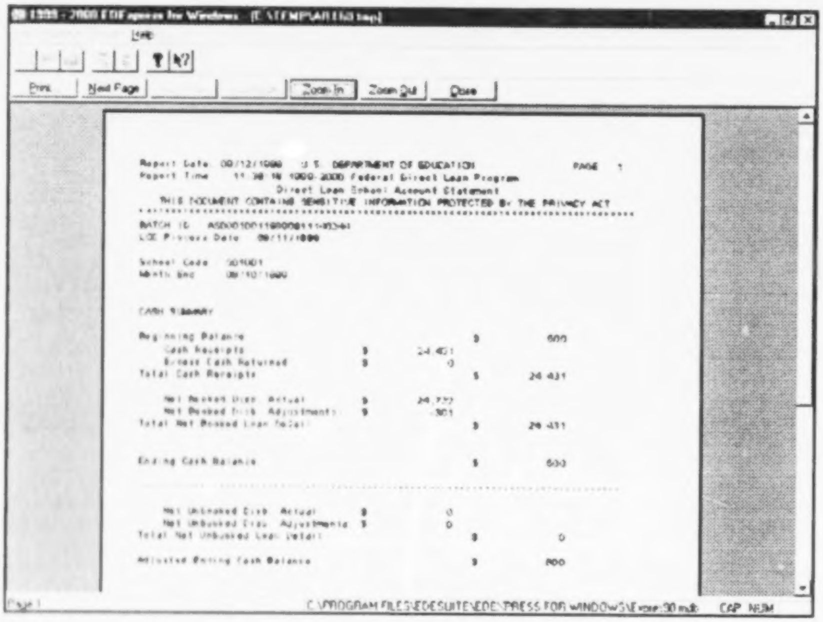
Record 5 of 20

25%

Print Cash Detail: All

Print Loan Detail: All

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb


1999 - 2000 EDExpress for Windows - [C:\TEMP\AR1160.tmp]
Help
Print
Next Page
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
CAP NUM

```
Report Date  08/12/1999   U.S. DEPARTMENT OF EDUCATION                PAGE  1
Report Time     11:38:16 1999-2000 Federal Direct Loan Program
                     Direct Loan School Account Statement
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*****************************************************************************
BATCH ID   AS0001001199908111[illegible]
LOC Process Date   08/11/1999

School Code   001001
Month End     08/10/1999


CASH SUMMARY

Beginning Balance                                     $          600
    Cash Receipts                      $        24,431
    Excess Cash Returned               $             0
Total Cash Receipts                                   $       24,431

    Net Booked Disb. Actual            $        24,732
    Net Booked Disb. Adjustments       $          -301
Total Net Booked Loan Detail                          $       24,431

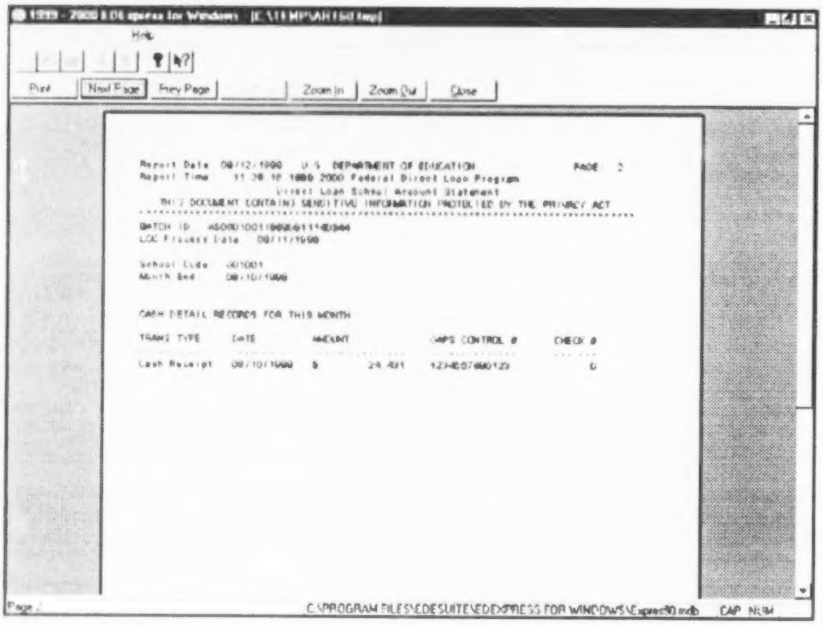

Ending Cash Balance                                   $          600

-----------------------------------------------------------------------------

    Net Unbooked Disb. Actual          $             0
    Net Unbooked Disb. Adjustments     $             0
Total Net Unbooked Loan Detail                        $            0

Adjusted Ending Cash Balance                          $          600
```

The first portion of the DLSAS file is the cash summary.


1999 - 2000 EDExpress for Windows - [C:\TEMP\AR1160.tmp]
Help
Print
Next Page
Prev Page
Zoom In
Zoom Out
Close
Page 2
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
CAP NUM

```
Report Date  08/12/1999   U.S. DEPARTMENT OF EDUCATION                PAGE  2
Report Time     11:38:16 1999-2000 Federal Direct Loan Program
                     Direct Loan School Account Statement
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*****************************************************************************
BATCH ID   AS0001001199908111[illegible]
LOC Process Date   08/11/1999

School Code   001001
Month End     08/10/1999


CASH DETAIL RECORDS FOR THIS MONTH

TRANS TYPE     DATE         AMOUNT               GAPS CONTROL #      CHECK #
----------   ----------   ---------------   ---------------      -------
Cash Receipt   08/10/1999   $        24,431   1234567890123              0
```

The second portion of the DLSAS is the Cash Detail.

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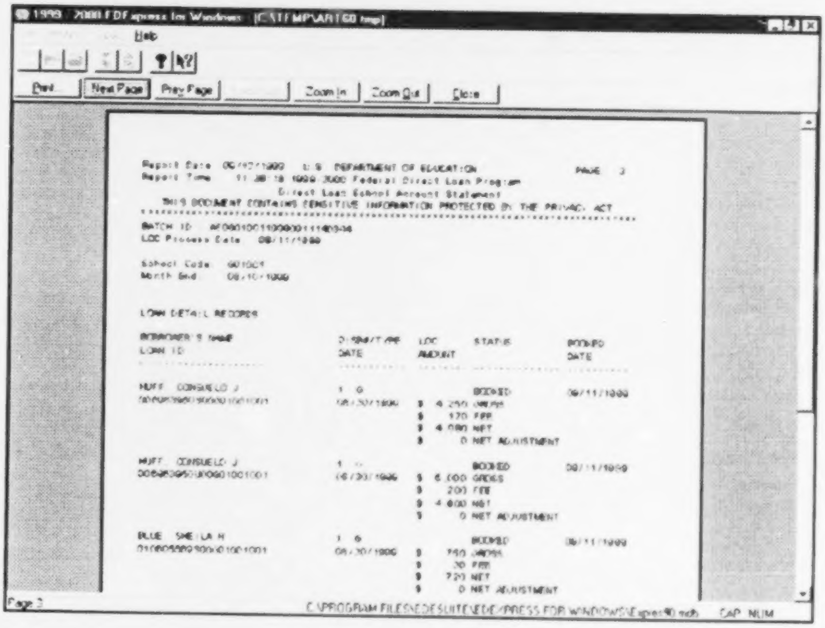
The final portion of the DLSAS is the loan detail.

Remember, this part of the report is optional. You can request not to receive the loan detail if you choose.


Help
Print
Next Page
Prev Page
Zoom In
Zoom Out
Close
Page 3
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
CAP NUM

Reconciling the DLSAS

Each month, all schools must reconcile the ending cash balance reflected in the DLSAS Cash Summary with the cash balance reflected in the school's internal records. The school should compare the DLSAS Cash Summary totals for cash receipts, excess cash, and booked disbursement transactions with the school's totals for these transactions. Schools should take into account any timing differences when analyzing discrepancies.

When discrepancies arise between what the DLSAS represents as booked disbursement transactions and what is reflected on the schools system as booked disbursement transactions, the school should make sure that all loan origination records, promissory notes, and disbursement transactions have been submitted to the LOC.

Steps to Take Before the End of the Month

Before you resolve your cash and booked loan records with the LOC data, you should do the following:

1. **Import all pending acknowledgments.** Receive and import all full summary acknowledgments, all promissory note confirmation acknowledgments, and all disbursement acknowledgments.
2. **Export all pending data.** Export and transmit all full origination records, the promissory note shipping manifest (paper only), and mail promissory notes with the shipping manifest to the LOC. Export and send all disbursement records, including adjustments.
3. **Allow enough time for pending items to return acknowledged from the LOC** (a wait of five business days is recommended).
4. **Check your batch activity list for any unconfirmed batches.** Import missing acknowledgments.
5. **Reconcile your bank account.** Review drawdown and return of excess cash activity in your internal accounting system with your school's bank account.
6. **Run the Booked Status Measurement Tool.** This report provides a review of booked and unbooked records on the database. It can be used to compare EDExpress Direct Loan data with LOC data received in the DLSAS.
7. **Back up your system regularly.** You should also back up before any major processing task, such as running the Booked Status Measurement Tool. Check your backup to ensure that your data is backing up properly.

Steps to Reconciling the DLSAS

1. Compare the balances on the DLSAS Cash Summary to your internal accounting records.
2. Compare cash detail information on the DLSAS to your internal accounting records and bank account statement.

   Cash summary and cash detail information on the DLSAS should reconcile to your internal accounting records, allowing for timing differences between the date of the transaction activity and the end of the month. If not, then proceed to step 4.
3. Create reports and queries as necessary to compare booked and unbooked records on your system with the DLSAS. Resolve any differences between booked and unbooked records by identifying timing differences or submitting missing data.
4. Create reports and queries as necessary to determine whether all disbursement records have been submitted to the LOC and all acknowledgements have been imported by the school.
5. If, after completing the above steps, the school has not reconciled the DLSAS, the school can send a file of either booked or unbooked transactions to the LOC to be compared with the LOC records. The LOC will send the Loan Detail Exception Report to the school which will identify all differences between those records sent by the school and records at the LOC.

EDExpress Measurement Tools

To assist schools in determining which loans have not yet booked, EDExpress provides a number of tools to identify and help resolve discrepancies, such as the Booked Status Report and the Cash Summary List. These reports will help a school identify those loans on the school's system which have not yet booked and will indicate which booking component, either the promissory note or the disbursement record, remains outstanding in order to book the loan.

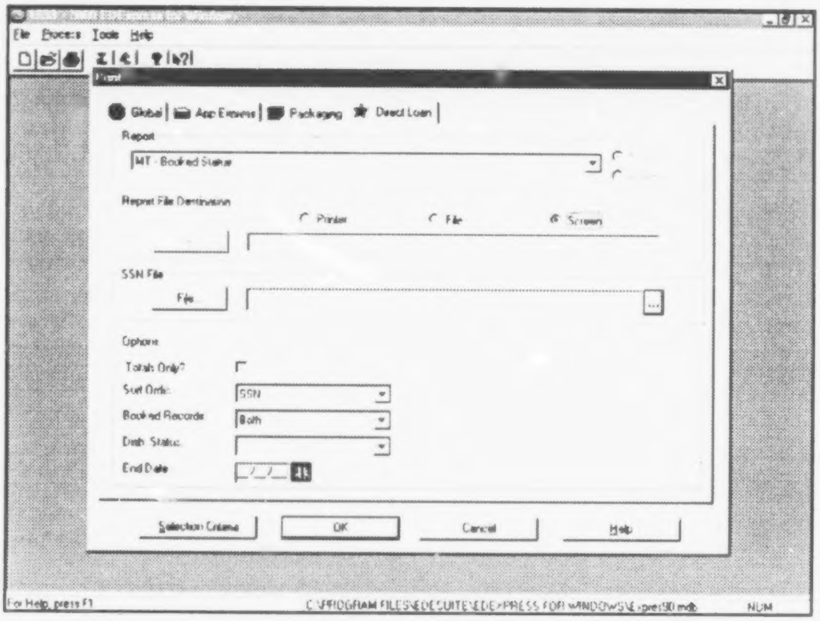
Booked Status Report Measurement Tool

To print the Booked Status Report click ***File/Print****.*

Select the ***Direct Loan*** *tab.*

Click the ***down arrow*** *in the Report field and select* ***MT-Booked Status****.*

Select ***Screen*** *as the Report File Destination.*


File
Process
Tools
Help
Print
Global
App Express
Packaging
Direct Loan
File...
...
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
NUM

Report: MT - Booked Status

Report File Destination: ○ Printer ○ File ● Screen

SSN File

Options

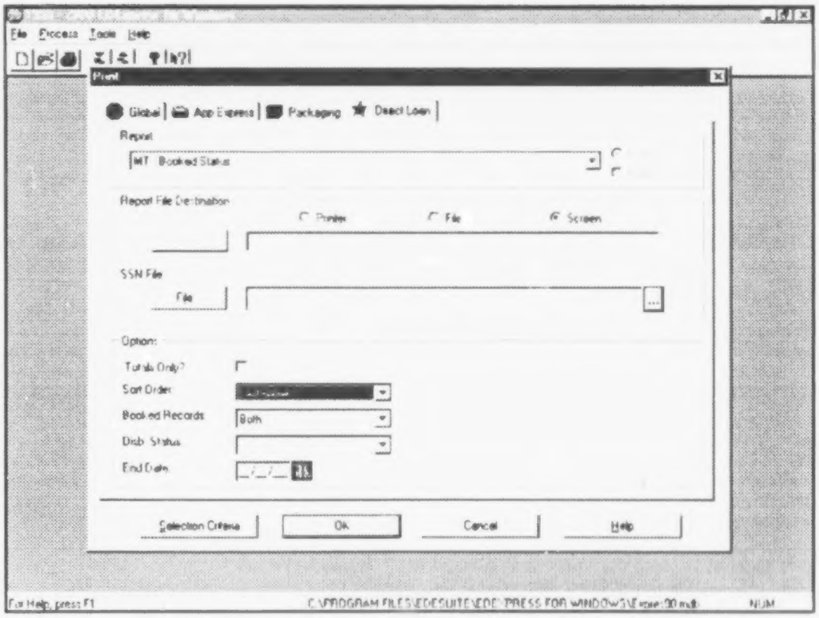
Totals Only? ☐

Sort Order: SSN

Booked Records: Both

Disb. Status:

End Date: _/_/_


File Process Tools Help
Print
Global
App Express
Packaging
Direct Loan
Selection Criteria
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre:30 mdb
NUM

Report: MT Booked Status

Report File Destination: ○ Printer ○ File ● Screen

SSN File

Options

Totals Only? ☐

Sort Order

Booked Records: Both

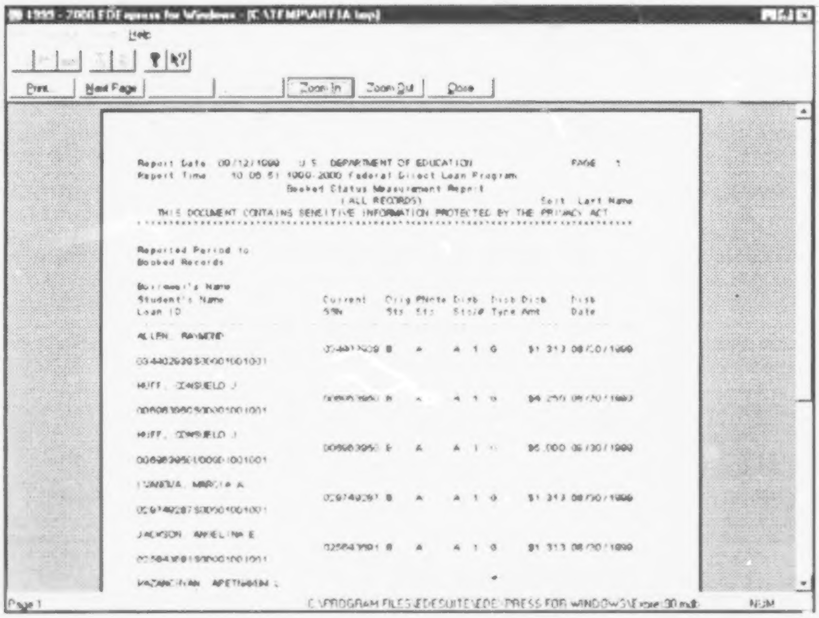
Disb. Status

End Date: __/__/__

This screen allows you to select booked or unbooked records only. We will print both.

We will also have our list printed in last name sort order.

Click **OK**.


1999 - 2000 EDExpress for Windows - [C:\TEMP\ARTJA.tmp]
Help
Print...
Next Page
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre:30 mdb
NUM

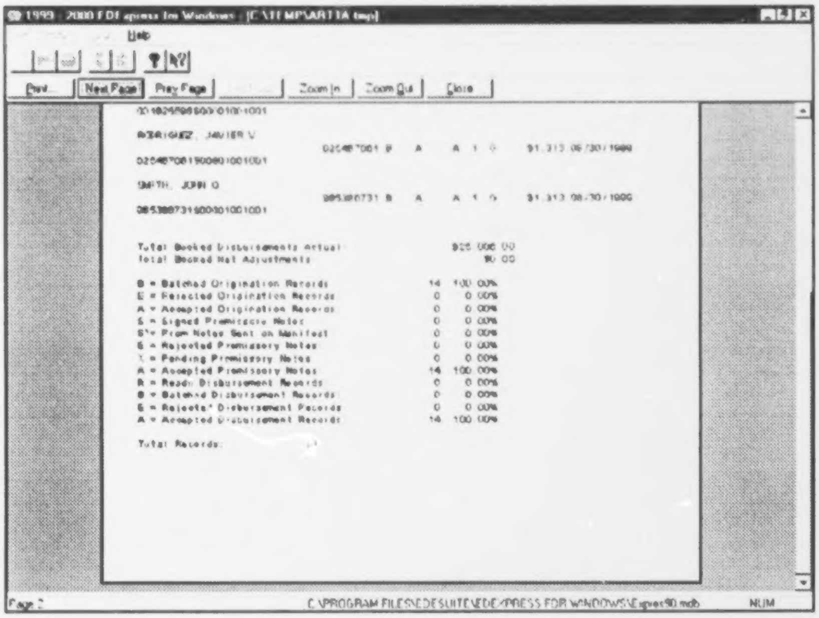
```
Report Date  09/12/1999    U.S. DEPARTMENT OF EDUCATION              PAGE   1
Report Time    10:08:51 1999-2000 Federal Direct Loan Program
                        Booked Status Measurement Report
                                (ALL RECORDS)                   Sort: Last Name
    THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************

Reported Period to
Booked Records

Borrower's Name
Student's Name                 Current    Orig PNote Disb  Disb Disb     Disb
Loan ID                        SSN        Sts  Sts   Stat# Type Amt      Date
```

The Booked Status Report shows the loan ID, origination status, prom note status, as well as disbursement status, type, amount and date.

Scroll to the end of the report to see a list of totals.



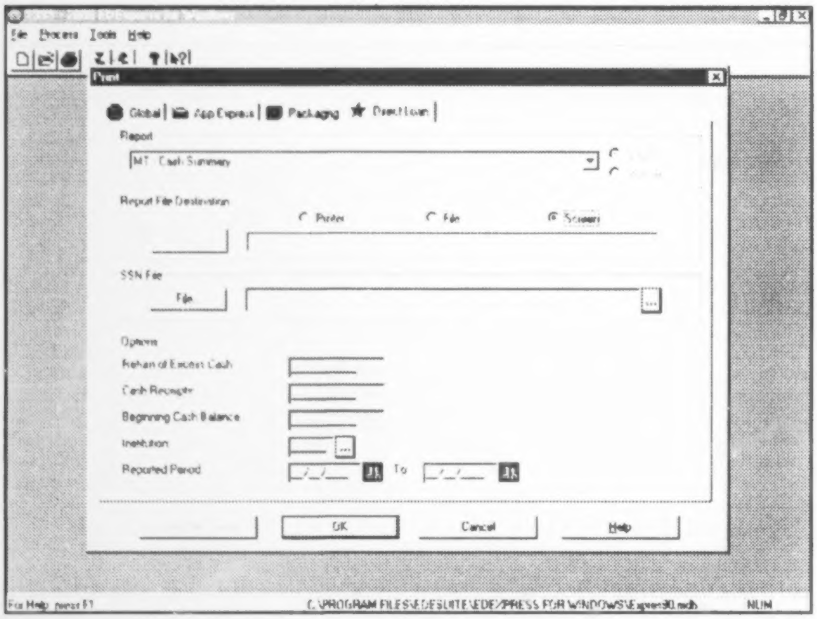
```
Total Booked Disbursements Actual:          $25,000.00
Total Booked Net Adjustments:                    $0.00

B = Batched Origination Records          14   100.00%
E = Rejected Origination Records          0     0.00%
A = Accepted Origination Records          0     0.00%
S = Signed Promissory Notes               0     0.00%
S*= Prom Notes Sent on Manifest           0     0.00%
E = Rejected Promissory Notes             0     0.00%
X = Pending Promissory Notes              0     0.00%
A = Accepted Promissory Notes            14   100.00%
R = Ready Disbursement Records            0     0.00%
B = Batched Disbursement Records          0     0.00%
E = Rejected Disbursement Records         0     0.00%
A = Accepted Disbursement Records        14   100.00%

Total Records:
```

Cash Summary List

The Cash Summary List provides the user with information including return of excess cash and cash receipts. Cash activity is determined by the booked disbursements and user input on the print dialog screen for the specified period. This report also lists calculated total amounts for the beginning and ending cash balances for the period.


File Process Tools Help
Print
Global
App Express
Packaging
Direct Loan
Report File Destination
Printer
File
SSN File
File
Options
Return of Excess Cash
Cash Receipts
Beginning Cash Balance
Institution
Reported Period
To
OK
Cancel
Help
For Help, press F1
NUM

Report: MT - Cash Summary

○ Printer ○ File ● Screen

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expert30.mdb

*To print the Cash Summary List, click **File/ Print**.*

*Select the **Direct Loan** tab.*

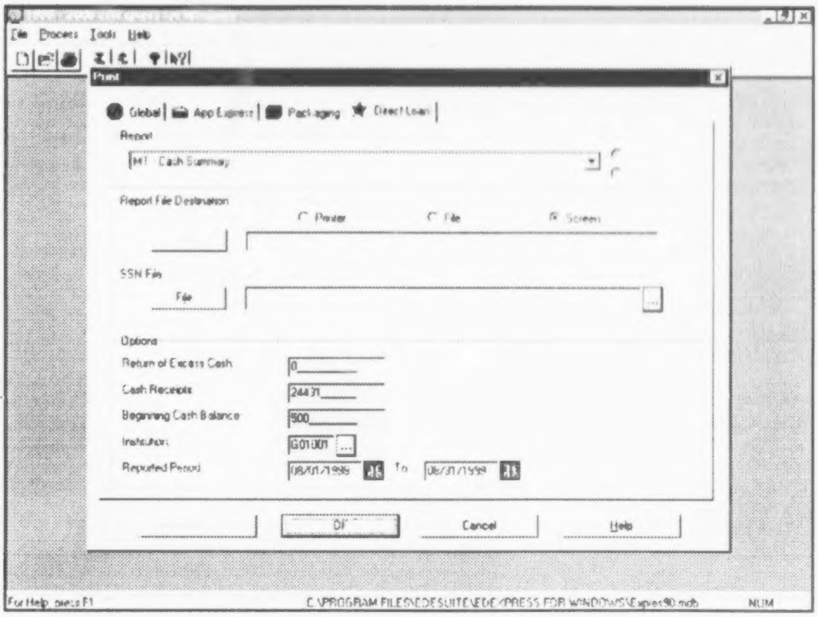
*Click the **down arrow** in the Report field and select **MT-Cash Summary**.*

*Select **Screen** as the Report File Destination.*

Enter your school's Return of Excess Cash, Cash Receipts, and Beginning Cash Balance.

Enter your Institution code and the Reported Period.

*Click **OK**.*



File Process Tools Help
Print
Global | App Express | Packaging | Direct Loan
Report File Destination
○ Printer ○ File ● Screen
SSN File
File
Options
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb
NUM

Report: M1 - Cash Summary

Return of Excess Cash: 0

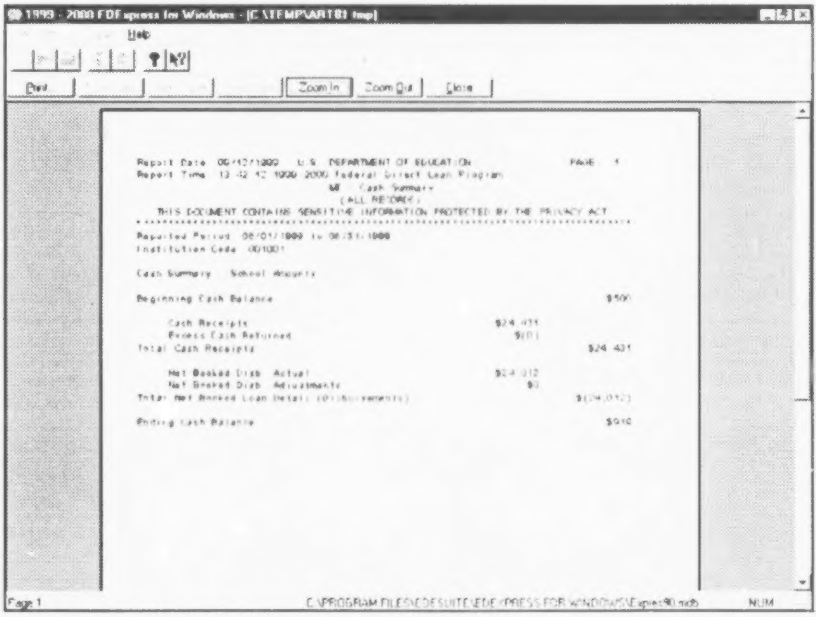
Cash Receipts: 24431

Beginning Cash Balance: 500

Institution: G01001

Reported Period: 08/01/1999 To 08/31/1999

The Cash Summary Measurement tool shows your beginning and ending cash balances, as well as cash receipts, excess cash returned, and all disbursement information.



1999 - 2000 EDExpress for Windows - [C:\TEMP\ARTB1.tmp]
Help
Print
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb
NUM

```
Report Date  06/12/1999   U.S. DEPARTMENT OF EDUCATION            PAGE  1
Report Time  13:42:42 1999-2000 Federal Direct Loan Program
                          M1 - Cash Summary
                            (ALL RECORDS)
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
***************************************************************************
Reported Period  08/01/1999 to 08/31/1999
Institution Code  G01001

Cash Summary - School Amounts

Beginning Cash Balance                                                $500

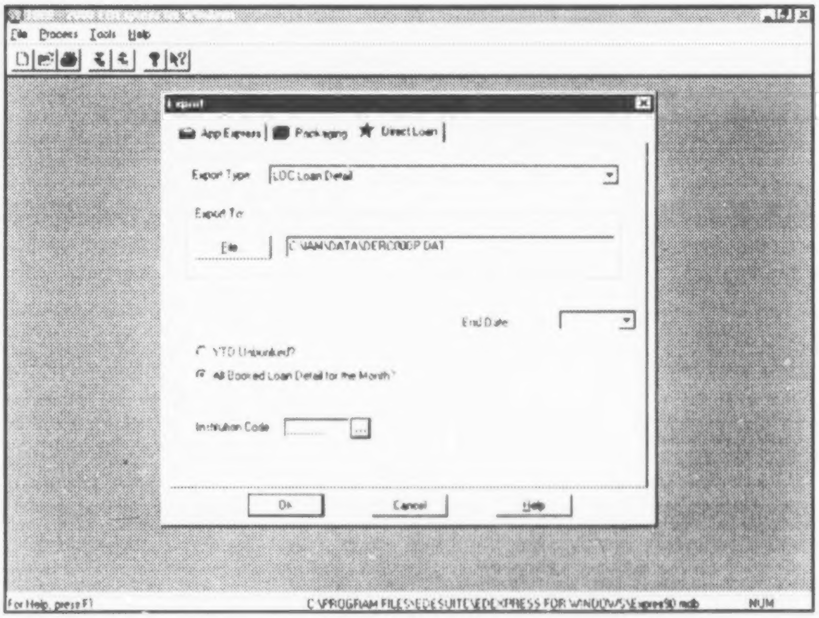
     Cash Receipts                                        $24,431
     Excess Cash Returned                                    $(0)
Total Cash Receipts                                                $24,431

     Net Booked Disb. Actual                              $24,012
     Net Booked Disb. Adjustments                              $0
Total Net Booked Loan Detail (Disbursements)                     $(24,012)

Ending Cash Balance                                                   $919
```

Exporting Loan Detail Records to the LOC

An optional process is available to schools to assist them in comparing school data to LOC data. At the school's option, the school can send to the LOC an electronic file of either booked or unbooked transactions to be compared with the LOC records. The file of booked transactions is for a specific month. The file of unbooked transactions contains all unbooked transactions as of the end date.


File Process Tools Help
Export
App Express
Packaging
Direct Loan
File
OK
Cancel
Help
For Help, press F1
NUM

Export Type: LOC Loan Detail

Export To: File C:\AM\DATA\DERC00P.DAT

End Date:

○ YTD Unbooked?

● All Booked Loan Detail for the Month?

Institution Code:

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb

Click the ***Export*** *icon on the toolbar.*

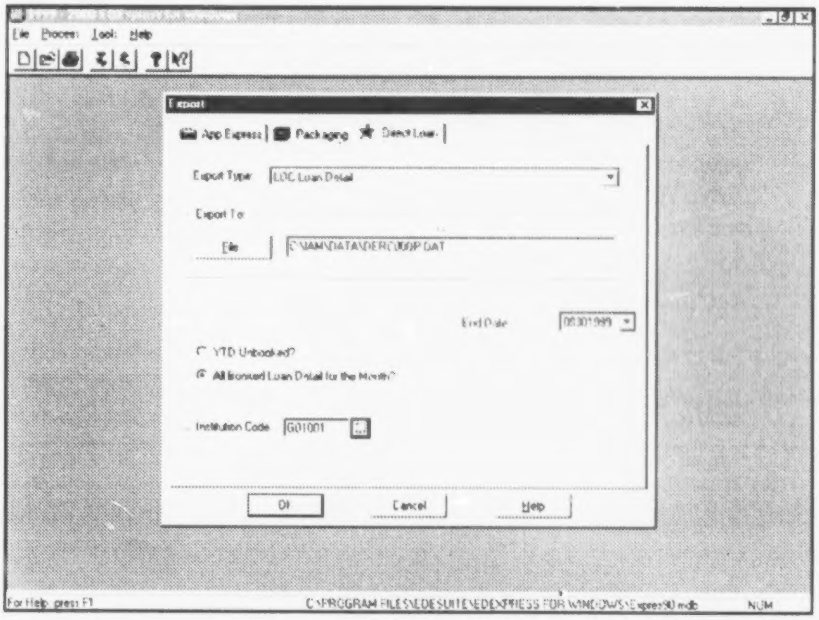
Select the ***Direct Loan*** *tab.*

Click the ***down arrow*** *in the Export Type field and select* ***LOC Loan Detail****.*

EDExpress requires you to select an end date for this export

Click the ***down arrow*** *in the End Date field and select* ***09301999****.*

Click ***OK****.*


File
Process
Tools
Help
Export
App Express
Packaging
Direct Loan
File
OK
Cancel
Help
For Help, press F1
NUM

Export Type: LOC Loan Detail

Export To: C:\AM\DATA\DERC00OP.DAT

End Date: 09301999

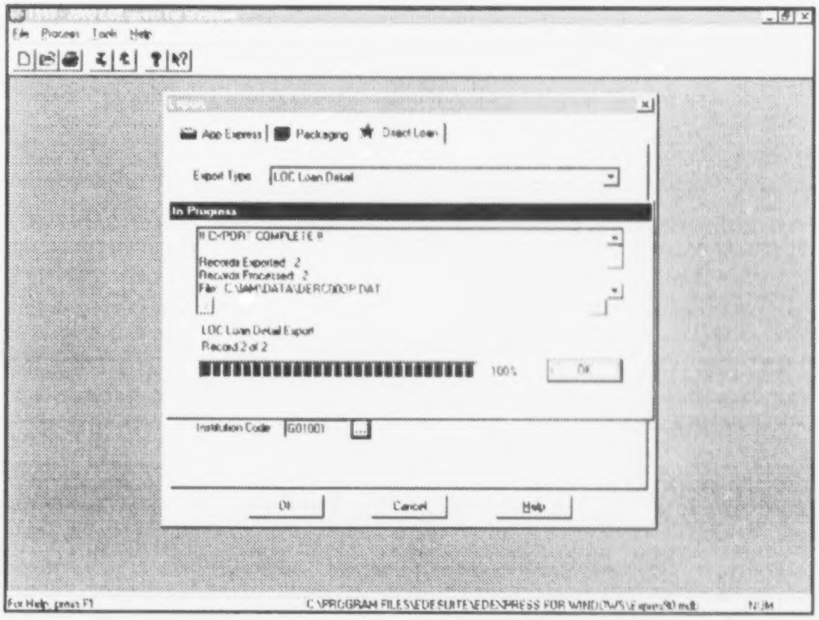
○ YTD Unbooked?

● All Booked Loan Detail for the Month?

Institution Code: G01001

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb

The In Progress box shows the batch ID, the number of records exported, as well as the location of your export file.


File
Process
Tools
Help
App Express
Packaging
Direct Loan
In Progress
OK
Cancel
Help
For Help, press F1
NUM

Export Type: LOC Loan Detail

```
# EXPORT COMPLETE #

Records Exported: 2
Records Processed: 2
File: C:\AM\DATA\DERC00OP.DAT
```

LOC Loan Detail Export

Record 2 of 2

100%

Institution Code: G01001

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb

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Loan Detail Exception Reports

When the LOC receives the file(s), the LOC will compare the loan detail records sent by the school with the records at the LOC. After comparing the records, an electronic file will be created by the LOC and sent to the school. The school imports the file and creates the loan detail exception report. This report will display all differences between the file of either booked or unbooked records sent by the school to the LOC and the records on the LOC's database. The school can then use the report to assist in resolving discrepancies.

The Exception reports will be returned with the following Message Class:

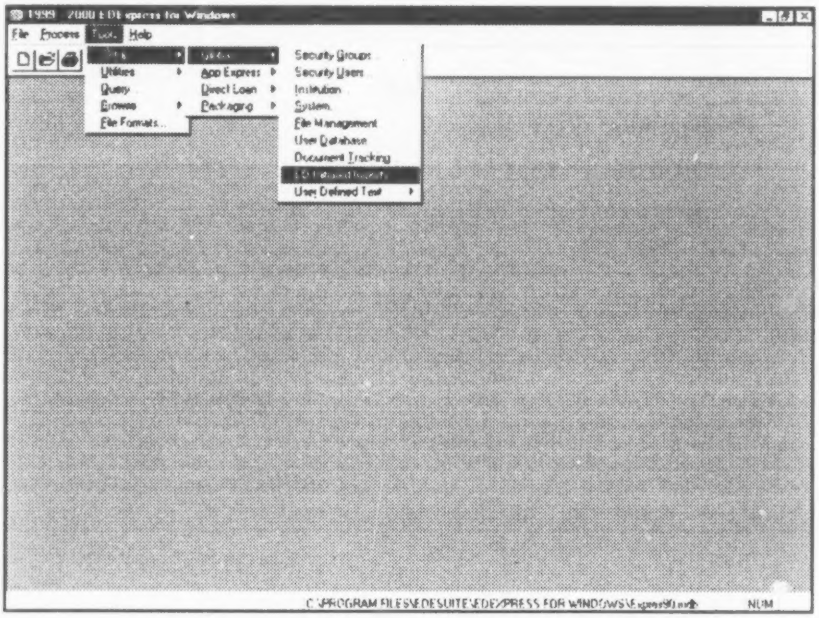
ED0100OP - Data Matching Exception Report for Booked Loans

ED0200OP - Data Matching Exception Report for Unbooked Loans

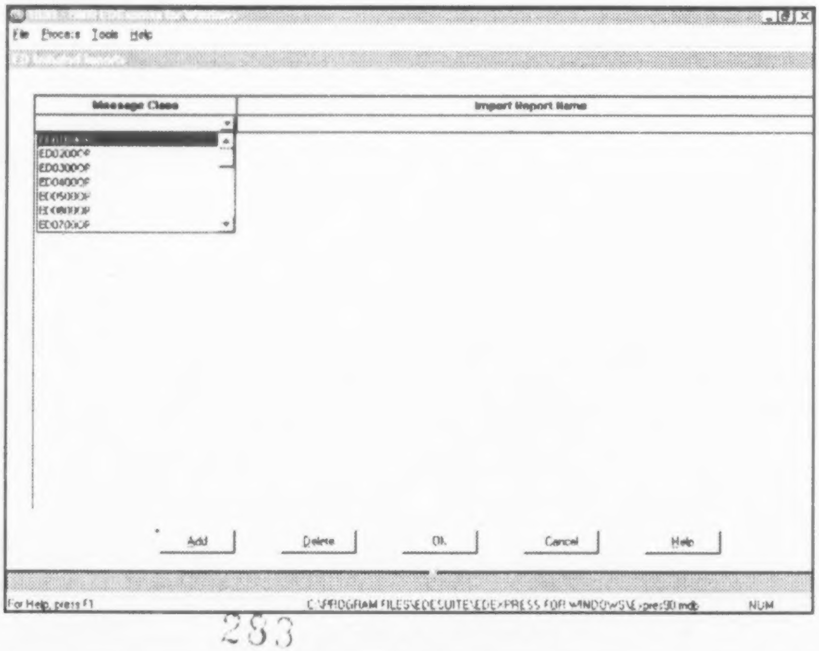
Exception Report Setup

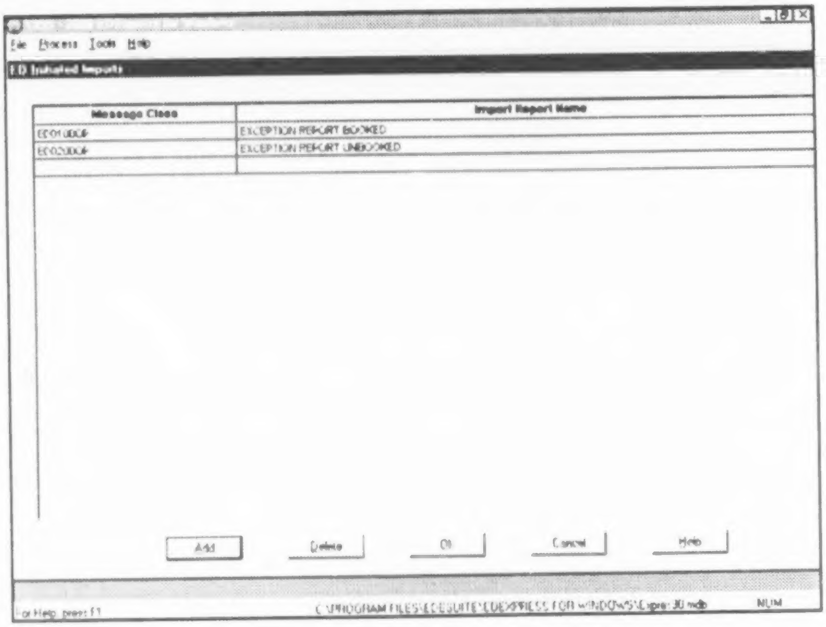
In order to import loan detail exception reports, you must first add titles to the setup features in ED Initiated Imports.

Click ***Tools/Setup/ Global/ED Initiated Imports...***


1999 - 2000 EDExpress for Windows
File
Process
Tools
Help
Utilities
Query
Browse
File Formats...
App Express
Direct Loan
Packaging
Security Groups
Security Users
Institution
System
File Management
User Database
Document Tracking
User Defined Test
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb
NUM

Click the first line in the Message Class field. Use the ***pull down arrow*** *to reveal the message classes. Select* ***ED0100OP****.*


File
Process
Tools
Help
Message Class
Import Report Name
ED0200OP
ED0300OP
ED0400OP
ED0500OP
ED0600OP
ED0700OP
Add
Delete
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Express90.mdb
NUM


File Process Tools Help
ED Initiated Reports
Add
Delete
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre:90.mdb
NUM

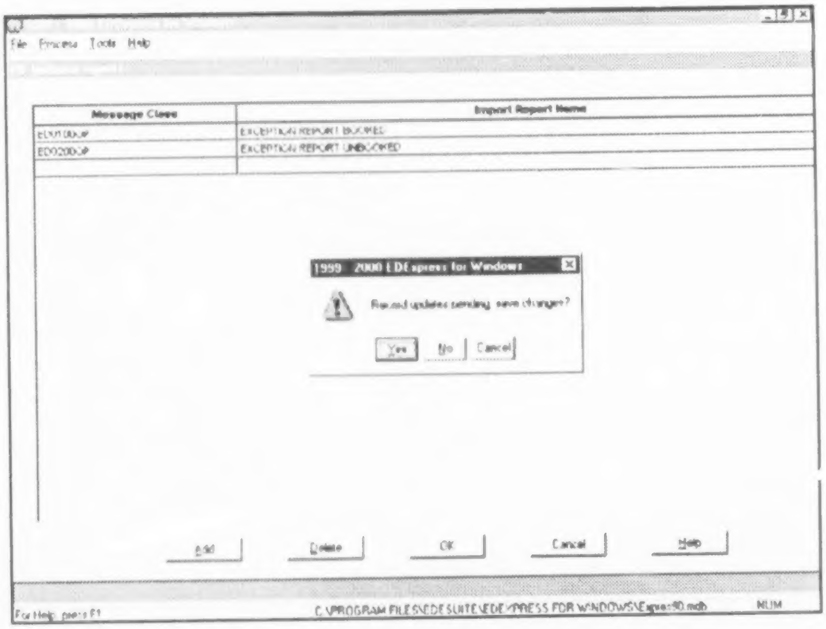
Message Class	Import Report Name
ED0100OP	EXCEPTION REPORT BOOKED
ED0200OP	EXCEPTION REPORT UNBOOKED

*Type **Exception Report Booked** as the Import Report Name.*

*Click the **Add** button to add a second message class.*

*Select **ED0200OP**, then type **Exception Report Unbooked** as the name.*

*Click **OK**.*

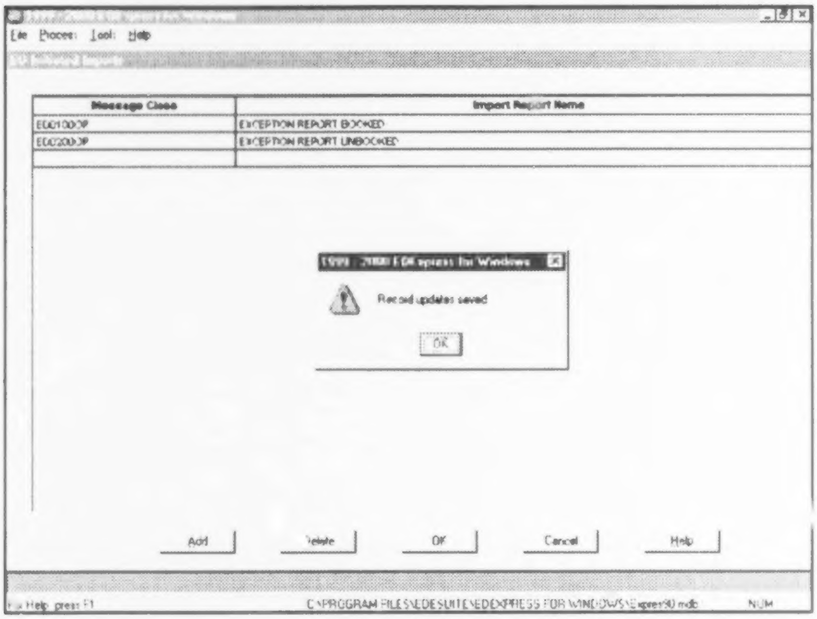

File Process Tools Help
1999 2000 EDExpress for Windows
Yes
No
Cancel
Add
Delete
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre:90.mdb
NUM

Message Class	Import Report Name
ED0100OP	EXCEPTION REPORT BOOKED
ED0200OP	EXCEPTION REPORT UNBOOKED

Record updates pending, save changes?

*Click **Yes** to save changes.*

Click ***OK****.*


File
Process
Tools
Help
Add
Delete
OK
Cancel
Help
NUM

Message Class	Import Report Name
EDD100OP	EXCEPTION REPORT BOOKED
EDD200OP	EXCEPTION REPORT UNBOOKED

1999 - 2000 EDExpress for Windows

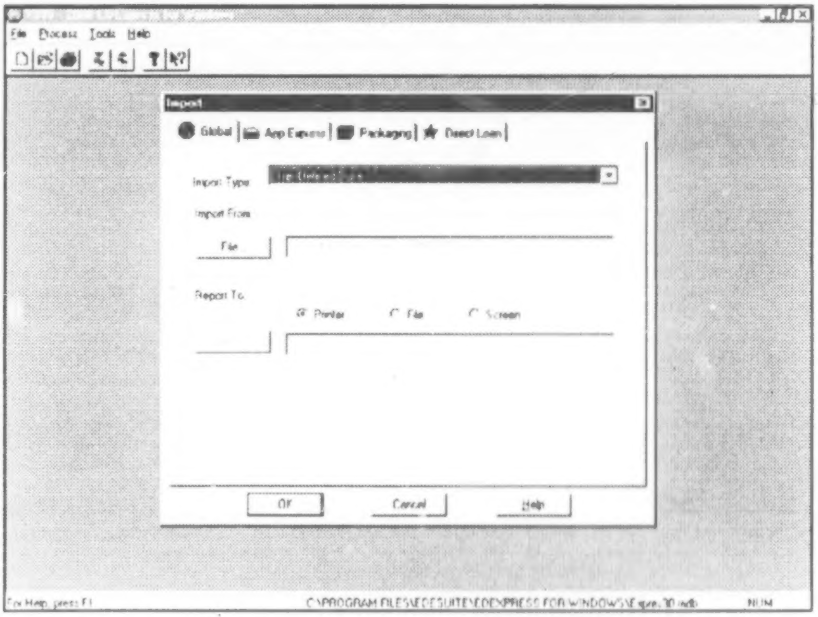
Record updates saved

OK

For Help, press F1

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb

Importing Exception Reports

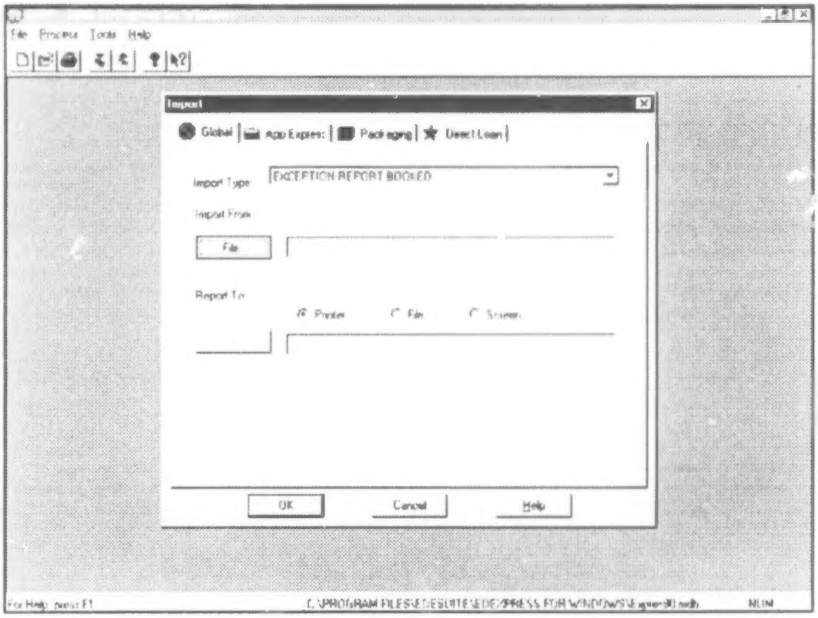

File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Import Type
Import From
File
Report To
Printer
File
Screen
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres30.mdb
NUM

Report To: ● Printer ○ File ○ Screen

Now you're ready to import the exception reports.

Click ***File/Import*** *or click the Import button.*

All ED initiated imports are found in the ***Global*** *system.*


File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Import Type
Import From
File
Report To
Printer
File
Screen
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres30.mdb
NUM

Import Type: EXCEPTION REPORT BOOKED

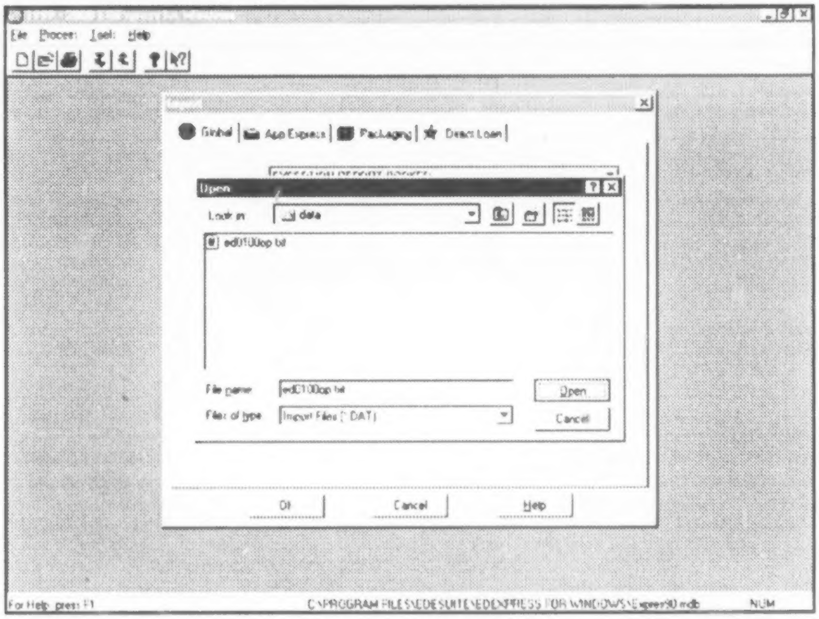
Report To: ● Printer ○ File ○ Screen

Click the ***down arrow*** *in the Import Type field. The titles you added now appear in the pick list.*

Click ***Exception Report Booked****.*

Click file and select **Ed0100op.dat**.

Click **Open**.



File
Process
Tools
Help
Global
App Express
Packaging
Direct Loan
Open
Look in:
Open
Cancel
OK
Cancel
Help
For Help, press F1
NUM

Look in: data

ed0100op.txt

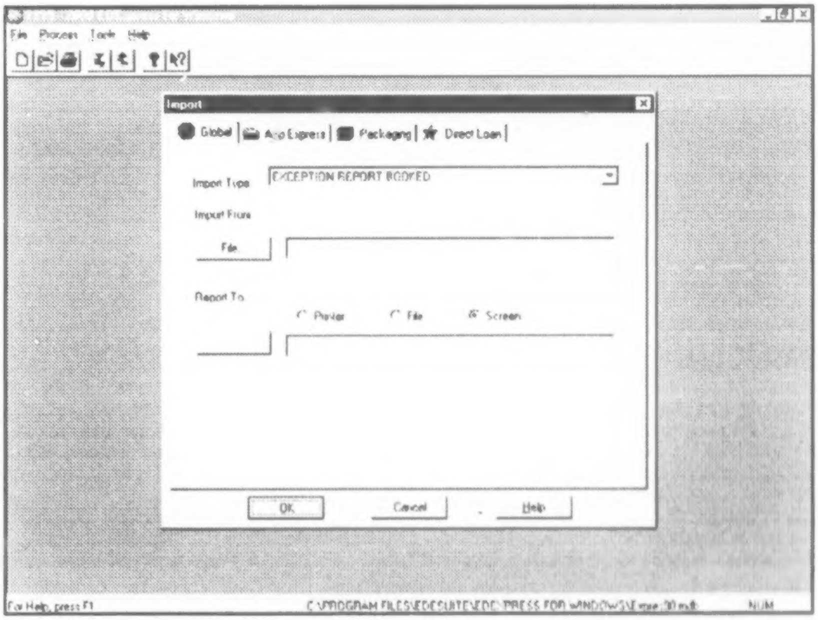
File name: ed0100op.txt

Files of type: Import Files (*.DAT)

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb

Select **Screen** as the Report To destination.

Click **OK**.

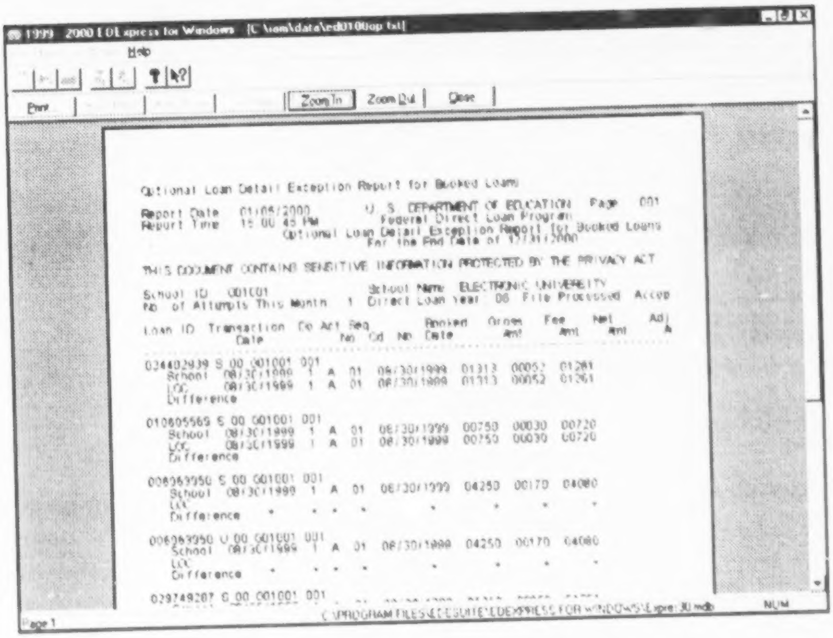


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Import From
File
Report To
OK
Cancel
Help
For Help, press F1
NUM

Import Type: EXCEPTION REPORT BOOKED

Report To: ○ Printer ○ File ● Screen

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb


1999 2000 EDExpress for Windows [C:\iam\data\ed0100op.txt]
Help
Print
Zoom In
Zoom Out
Close
Page 1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre 30.mdb
NUM

```
Optional Loan Detail Exception Report for Booked Loans

Report Date   01/06/2000       U S  DEPARTMENT OF EDUCATION   Page  001
Report Time   15 00 45 PM          Federal Direct Loan Program
                        Optional Loan Detail Exception Report for Booked Loans
                                   For the End Date of 12/31/2000

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

School ID   001001                  School Name  ELECTRONIC UNIVERSITY
No  of Attempts This Month   1   Direct Loan Year  00  File Processed  Accep

Loan ID  Transaction  Do Act Req              Booked   Gross    Fee     Net      Adj
           Date         No  Cd  No   Date      Amt      Amt      Amt      A
---------------------------------------------------------------------------------
034402939 S 00 001001 001
    School   08/30/1999  1   A   01   08/30/1999  01313   00052   01261
    LOC      08/30/1999  1   A   01   08/30/1999  01313   00052   01261
    Difference

010605565 S 00 001001 001
    School   08/30/1999  1   A   01   08/30/1999  00750   00030   00720
    LOC      08/30/1999  1   A   01   08/30/1999  00750   00030   00720
    Difference

008063950 S 00 001001 001
    School   08/30/1999  1   A   01   08/30/1999  04250   00170   04080
    LOC
    Difference     *         *   *   *         *         *       *       *

006063950 U 00 001001 001
    School   08/30/1999  1   A   01   08/30/1999  04250   00170   04080
    LOC
    Difference     *         *   *   *         *         *       *       *

029749207 S 00 001001 001
```

This report shows all the exceptions for booked loans for this school for the month.

If data appears in the difference line, this indicates the record is present but there is a discrepancy between the LOC data and the school data.

If the difference line shows asterisks (*) the record is missing on either the school's or the LOC's database.

Apply What You Know

Import the Direct Loan School Account Statement

1. Select **File/Import** from the menu bar.
2. Click **Direct Loan**.
3. Click the down arrow on the Import Type text box to display a list of file types to import.
4. Select **School Account Statement**.
5. Confirm that the default filename and data directory you established in Setup appear in the Import From box.

Or, if you want to export to a different filename, click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

6. Click **Screen**, **File**, or **Printer** as the output destination.

If you want to send the report to a file:

Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

Remember that if you print to a file, no hard copy prints on your printer. To print a hard copy, repeat the print process and select **Printer** as your output destination.

7. Click the down arrow in the Print Cash Detail field and select whether you want to see **All Cash** data, data for **Receipts of cash only**, or data for **Excess Cash receipts only**.
8. Click the down arrow in the Print Loan Detail field and select whether you want to see data for **All** loans, data for **Booked** loans only, or data for **Unbooked** loans only.
9. Click **OK** to import the file and send the report to the destination you chose. If you chose Screen as your output destination, use the scroll bars to view and click **OK** when you are finished.

Print the Booked Status Measurement Tool

1. Select **File/Print**.
2. Click **Direct Loan**.
3. Click the down arrow in the Report field and click **Measurement – Booked Status**.

4. Click **Screen**, **File**, or **Printer** as the output destination.

If you want to send the report to a file:

Click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

Remember that if you print to a file, no hard copy prints on your printer. To print a hard copy, open and print the output destination file or regenerate the report and select Printer as your output destination.

If you print to a file, you will have to reformat the DOS text with a word processor or editor of your choice.

5. Click **OK**.

Print the Cash Summary List

1. Select **File/Print** from the menu bar
2. Click the **Direct Loan** tab.
3. Click the down arrow in the Report text box and choose **List – Cash Summary**.
4. Click the **Single** button to the right of the Report text box.
5. Click **Printer**, **File**, or **Screen** for the output destination.

If you want to send the report to a file:

Click the **File** button to locate the file, then click **OK**. EDExpress enters the filename and location in the text box automatically.

Remember that if you print to a file or the screen, no paper copy prints on your printer. To print a paper copy, repeat the print process and select **Printer** as your output destination.

7. Enter the **Return of Excess Cash**, **Cash Receipts**, **Beginning Cash Balance**, **Institution**, and **Reported Period** field data.
8. Click **OK** to send the report to the output destination you chose.
9. If you chose Screen as your output destination, use the scroll bars to view and click **OK** when you're finished.

Export the LOC Loan Detail File

This is an optional process in resolving booking discrepancies between your data and the LOC's.

1. Select **File/Export** from the menu bar.
2. Click **Direct Loan**.
3. Click the down arrow on the Export Type text box to display a list of data types to export.

4. Select **LOC Loan Detail**.
5. Confirm that the default filename and data directory you established in Setup appears in the Export To box.

Or, if you want to export to a different filename, click the **File** button to locate and name the file, then click **OK**. EDExpress enters the filename in the text box automatically.

6. Type your Direct Loan institution code in the Institution Code field or click the **Ellipsis** (...) button to display and select from a list of codes.
7. Select **YTD Unbooked** to send a report of unbooked records only.

Or, select All booked loan detail for the month to send a report on all records for a month.

8. Confirm that the institution code is correct. If it is incorrect, type the correct institution code or click the **Ellipsis (...)** button to select an institution code from a list.
9. If you selected All booked loan detail for the month, click the **down arrow** in the End Date field and select the ending date of the month you are reporting.
10. Click **OK** to export the data.

Discussion Questions for Chapter 8

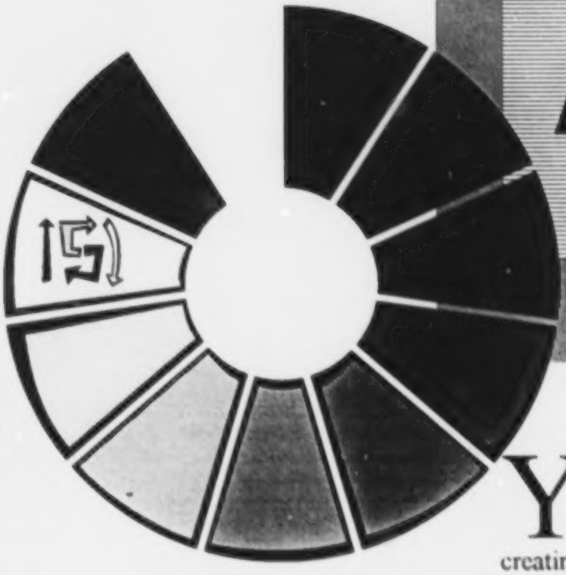
1. Name the three types of records included in the DLSAS.

2. Why might you only have a few loan detail records in a reconciliation batch?

3. What is the primary purpose of reconciliation?

4. How will an exception report for booked loans help you?

Chapter 9



Managing Data

You now know the basic processes of Direct Loan, but you'll want to know the most efficient and effective methods of using EDExpress and processing data. In this chapter you learn about creating queries, establishing schedules, and other good data management practices.

Objectives

1. Create a user-defined query to aid in selecting records for lists and reports.
2. Define components of a batch ID.
3. Identify message classes used in Direct Loan.
4. Identify good data processing practices for completing tables.
5. Create a production schedule to ensure timely processing.
6. Create a processing log to track batches of data.
7. Set tolerance values to be used in measurement reports.

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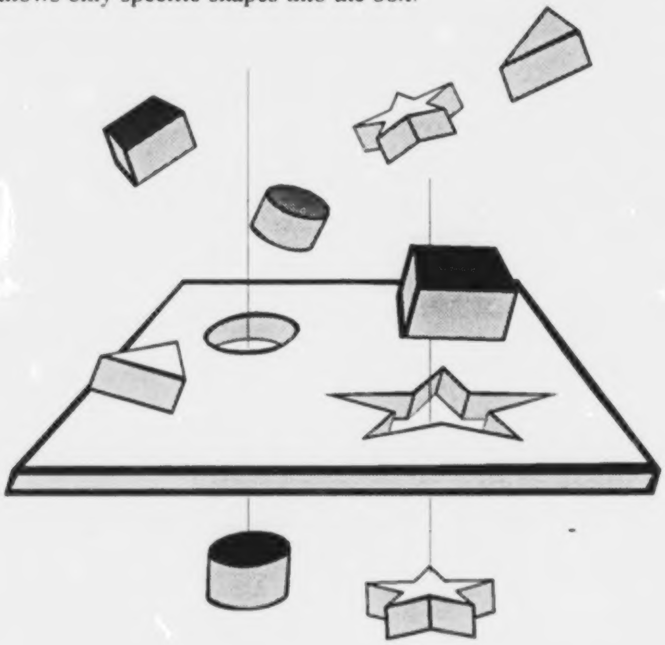
Query

A query is simply a logical statement or predefined set of criteria that describes a particular student population. Think of a query this way: You have a box with holes in its lid. Only objects that are the same shape as the holes can pass through the lid. The query is the lid of the box. It allows only specific shapes into the box.



EDExpress uses a query to help you select or filter certain types of data. You may want to print a list that includes only students that have specific attributes such as dependency or housing status, or you may want to limit a fund to recipients that have a certain major. For each type of application you must define a query that best selects the desired group.

Tips for Queries

The Standard Query Language (SQL) tool in EDExpress creates simple logical selection statements. When you construct a query some basic rules apply:

- The only connectors available are AND and OR.
- The query is processed from left to right or beginning to end.
- AND means all conditions that have been joined must be true for the query to select records. If one or more AND(s) appear in a statement, the software applies the AND(s) from left to right in the statement.

Example
Dependency status = D AND *State of Residency = VA* AND *Verification selection = Y*

EDExpress compares the dependency status first, then the residency, and finally the verification. If the record does not meet all three criteria, it is not selected.

- OR divides the query statement into sections and selects a record if any section is true.

Example
State of Residency = VA OR *State of Residency = DC*

The portion of the query before OR and the entire portion after OR are two complete statements. If either portion is true, the record is selected.

- If AND and OR are used in the same query statement, you must use parentheses to separate them.
- Parentheses change the order of precedence. Expressions enclosed in parentheses are processed before AND and OR. In the case of nested expressions, innermost parentheses are processed first

Example
Housing Code = 1 AND *(State of Residency = VA* OR *State of Residency = DC)*

In the above example, EDExpress first compares the Housing Code, then the first State of Residency, and then the second State of Residency. If the record meets the first criteria and one of the second criteria, the record is selected.

- User defined fields can be included in a query. Queries including a User defined field can use both the AND and OR connectors.

Query Worksheet

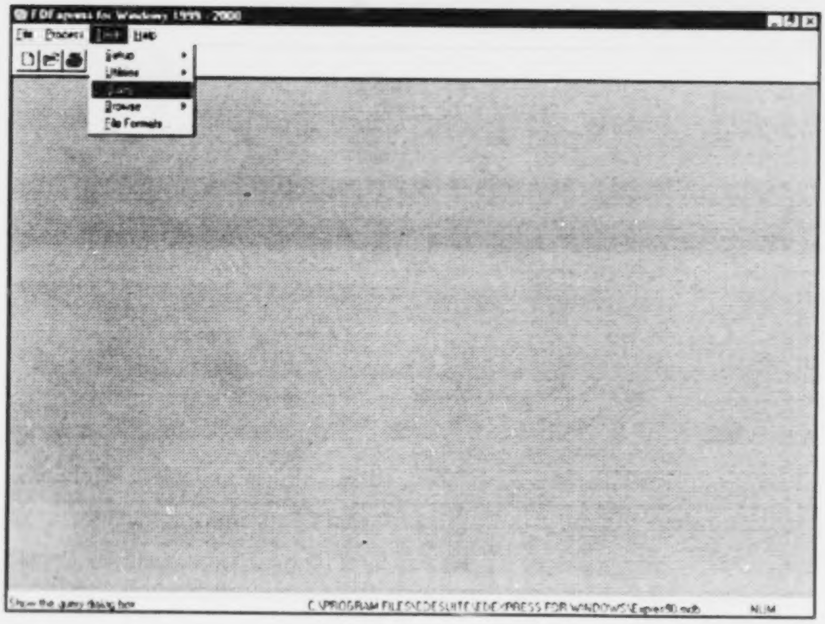
Sample

In the space below, describe the group of students to be selected.

Select all students whose loan funds were disbursed between August 23, 1999, and August 27, 1999.

Data Element Select a data field from the Loan record.	Operators <,<=,<>,=,>=,like, not like	Value Enter free form or system assigned value.
Act. Disb. #	=	1
And ☒ Or ☐	Left (☐ Right) ☐	
Act. Disb. Date	>	1999 08 23
And ☒ Or ☐	Left (☒ Right) ☐	
Act. Disb. Date	<	1999 08 27
And ☐ Or ☐	Left (☐ Right) ☒	
And ☐ Or ☐	Left (☐ Right) ☐	
And ☐ Or ☐	Left (☐ Right) ☐	

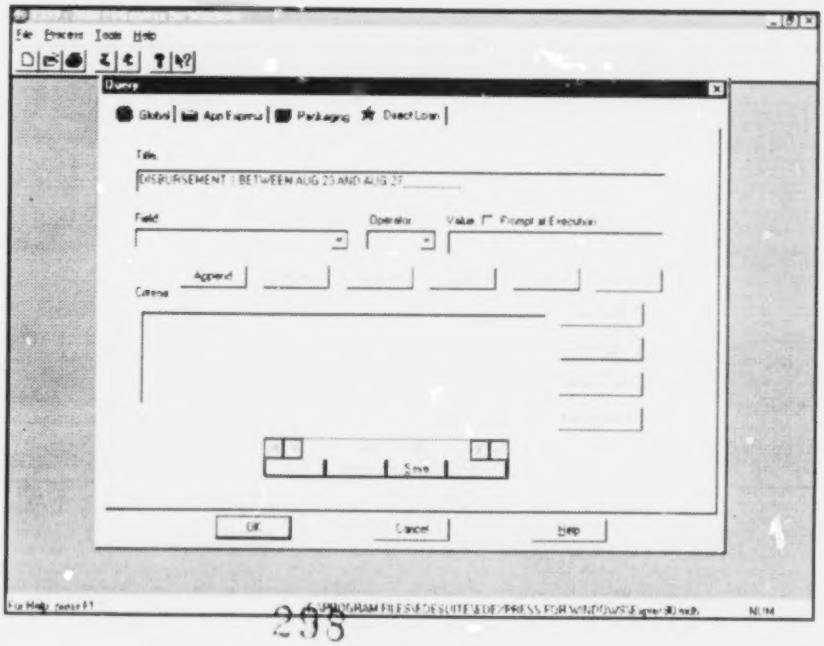
*To create a new query, select **Tools/Query** from the main menu.*


EDExpress for Windows 1999 - 2000
File
Process
Tools
Help
Setup
Utilities
Query
Browse
File Formats
Show the query dialog box
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expwr90.mdb
NUM

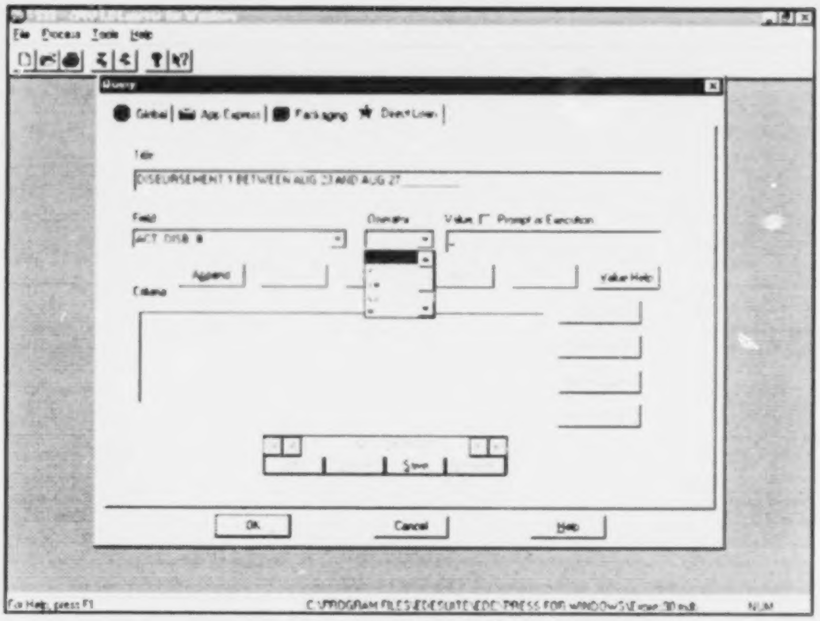
*Select the **Direct Loan** tab.*

In this query we are searching for all students whose first disbursement occured between August 23 and August 27.

*Type in the free form title, **Disbursement 1 between Aug 23 and Aug 27**.*


File
Process
Tools
Help
Query
Global
App Express
Packaging
Direct Loan
Field
Operator
Value
☐ Prompt at Execution
Append
Criteria
Save
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expwr90.mdb
NUM

Title: DISBURSEMENT 1 BETWEEN AUG 23 AND AUG 27



Title: DISBURSEMENT 1 BETWEEN AUG 23 AND AUG 27

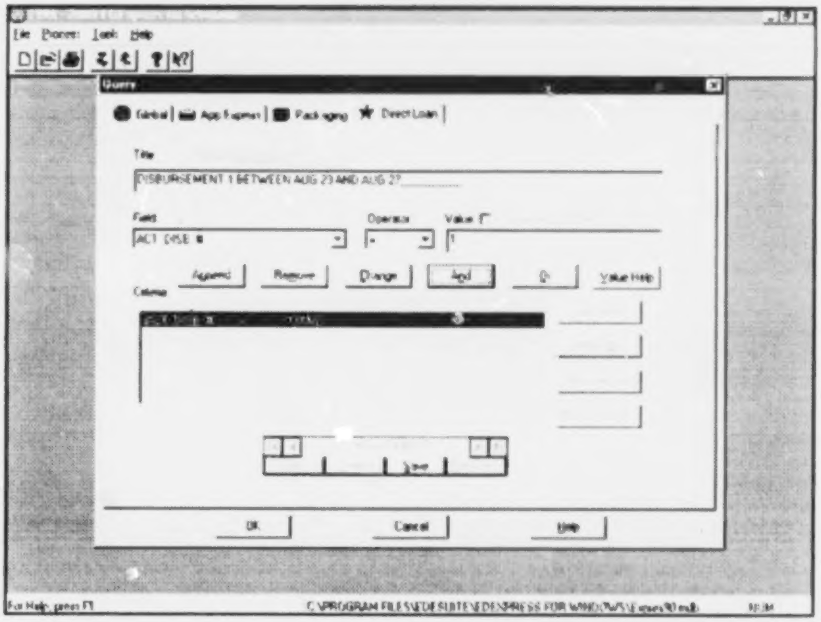
Field: ACT. DISB. #

This statement has two parts: the disbursement number and the date range.

First, define the disbursement number.

*Click the **down arrow** to see a list of Fields. Select **Act. Disb. #** (Actual Disbursement Number).*

*Select the Operator, **=**.*



Title: DISBURSEMENT 1 BETWEEN AUG 23 AND AUG 27

Field: ACT. DISB. #

Operator: =

Value: 1

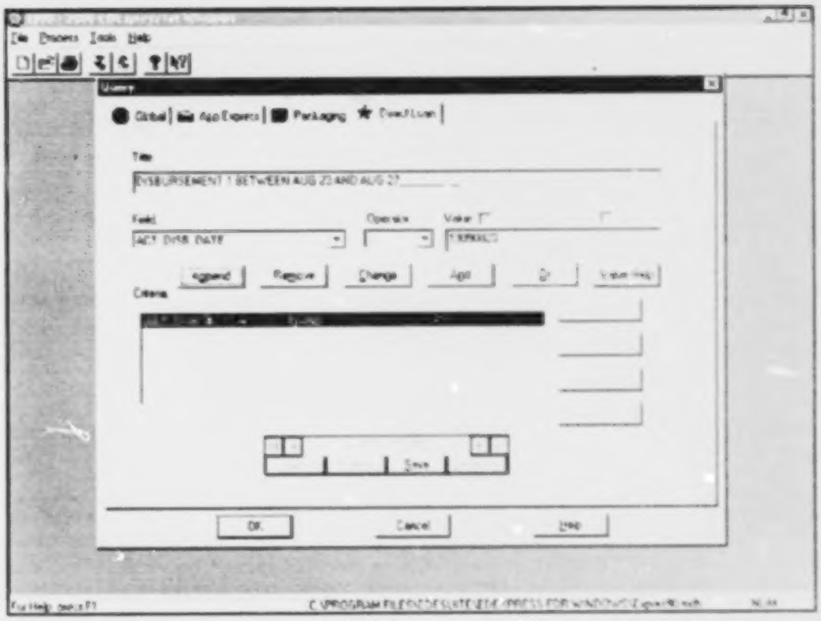
*Enter **1** as the Value.*

*Click the **Append** button. You have now added the first part of your query to the Criteria box.*

The second part of the query, the date range, requires a two part statement. You must create a beginning date and an ending date.

*Select **Act. Disb. Date** as the Field. Select **>** as the Operator. Enter **19990823** as the Value.*

*Click the **Append** button to add this statement ot the Criteria.*



Title: DISBURSEMENT 1 BETWEEN AUG 23 AND AUG 27

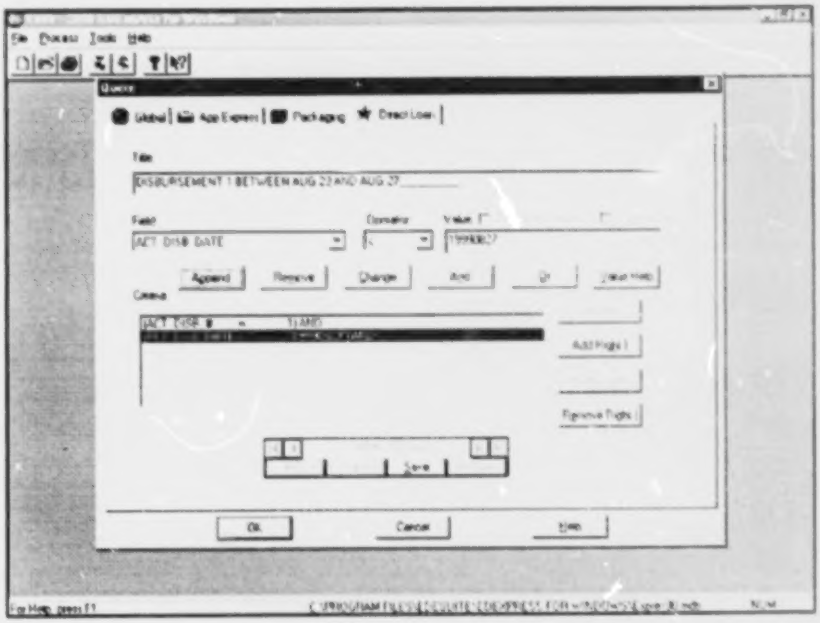
Field: ACT DISB DATE

Query
Global
App Express
Packaging
Direct Loan
Append
Remove
Change
And
Or
OK
Cancel
Help

To create the second half of the date range, you need only modify what is selected in the Field, Operator, and Value fields.

*First, change the Operator to **<**. Next, change the date to **19990827**.*

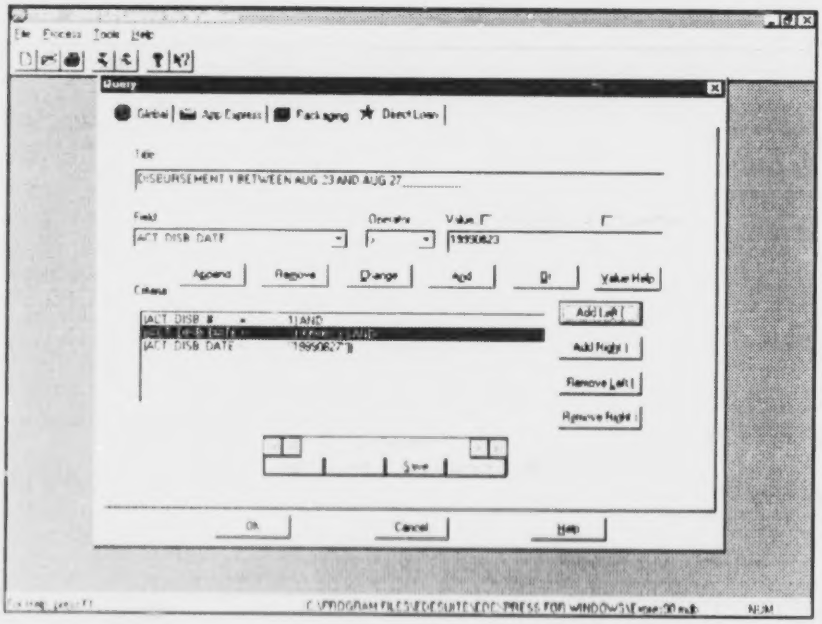
*Click the **Append** button.*



Title: DISBURSEMENT 1 BETWEEN AUG 23 AND AUG 27

Field: ACT DISB DATE

Query
Global
App Express
Packaging
Direct Loan
Append
Remove
Change
And
Or
OK
Cancel
Help


File Process Tools Help
Query
Global App Express Packaging Direct Loan
Append
Remove
Change
And
Or
Value Help
Add Left (
Add Right)
Remove Left (
Remove Right)
Save
OK
Cancel
Help
NUM

Title: DISBURSEMENT 1 BETWEEN AUG 23 AND AUG 27

Field: ACT DISB DATE

Operator: >

Value: 19990823

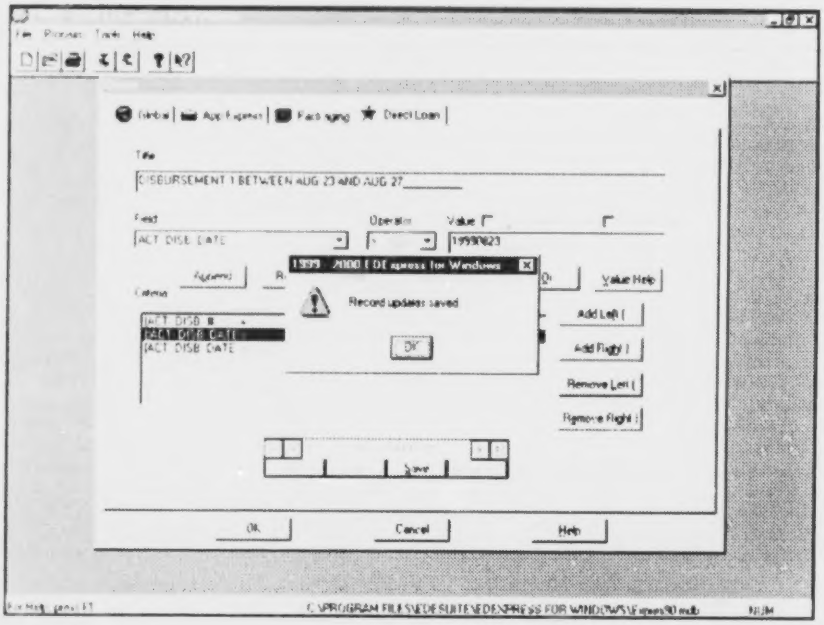
Criteria:
(ACT DISB # = 1) AND
(ACT DISB DATE > 19990823) AND
(ACT DISB DATE 19990827'))

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expes90.mdb

Your query now has three statements. To create one logical query out of three statements, you must add parentheses.

We want to connect the two disbursement date statements. Select the first date statement (> 1990823) and click the ***Add Left (*** *button.*

To add the right parentesis select the last statement and click the ***Add Right)*** *button.*


File Process Tools Help
Global App Express Packaging Direct Loan
Append
Or
Value Help
Add Left (
Add Right)
Remove Left (
Remove Right)
Save
OK
Cancel
Help
NUM

Title: DISBURSEMENT 1 BETWEEN AUG 23 AND AUG 27

Field: ACT DISB DATE

Operator: >

Value: 19990823

Criteria:
(ACT DISB #
(ACT DISB DATE
(ACT DISB DATE

1999 - 2000 EDExpress for Windows

Record updates saved

OK

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expes90.mdb

Save the record and it will be added to the Selection Criteria list and can be used anywhere in the EDExpress Direct Loan module.

NEW!

Batch IDs

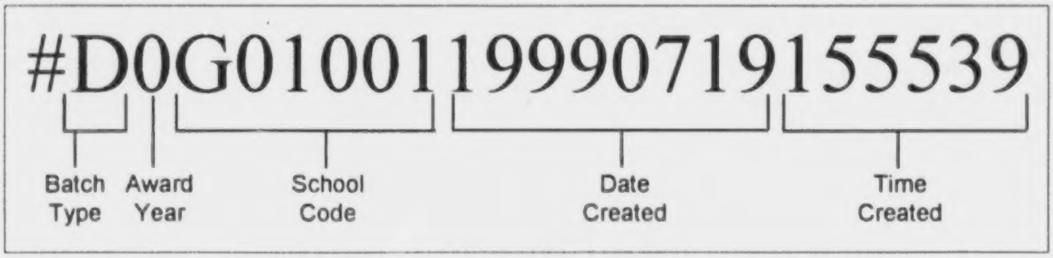
As indicated in the diagram, the first alphabetic character of the batch ID identifies the type of data contained in the batch.

The second number is the cycle term to which the batch applies (for 1999-2000, this number will always be 0).

The third number, the school code, is the assumed institution code you defined in Setup.

The next eight digits are the date the batch was created.

The last set of numbers indicate the time the batch was created.

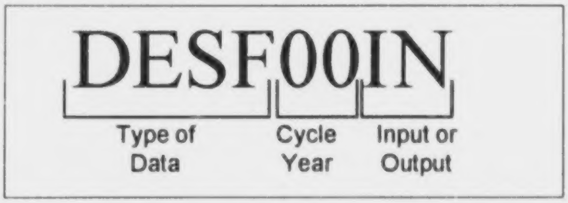

#D0G01001199907191 55539
Batch Type
Award Year
School Code
Date Created
Time Created

Message Classes

All message classes are named from the user perspective. As indicated in the diagram, the first four characters of the message class identify the type of data.

The second two numbers refer to the cycle year.

The last two characters indicate input or output data. "IN" refers to what you send in for the Title IV contractor to retrieve. "OP" refers to what the Title IV contractor has put back out on the network for you to retrieve.


DESF00IN
Type of Data
Cycle Year
Input or Output

Message Class Descriptions

Message class	Batch ID	Data description
DEER##IN		Export: origination external
DEPF##IN	PF	Export: origination LOC full PLUS
DERC##IN	#L	Export: loan detail
DESC##IN	#E	Export: origination LOC change
DESD##IN	#H	Export: origination LOC disbursement
DESF##IN	#D	Export: origination LOC full Stafford
DIAA##OP	#R	Import: anticipated listing
DIAO##OP	#Q	Import: actual roster
DIEA##OP	#O	Import: external add
DIEC##OP	#P	Import: external change
DIOC##OP	#E	Import: acknowledgements - change origination
DIOD##OP	#H	Import: acknowledgements - disbursement origination
DIPA##OP	#A	Import: acknowledgements - prom note manifest
DIPA##OP	#D	Import: acknowledgements – prom note manifest
DIPA##OP	#PF	Import: acknowledgements – prom note manifest
DIPC##OP	#C	Import PLUS credit decision
DIPF##OP	PF	Import: full summary PLUS origination
DISF##OP	#D	Import: acknowledgements - full summary Stafford origination
DISV##OP	SV	Import loan servicer
DIWR##OP	#W	Import 30-day warning report
DSAS##OP	AS	Direct Loan School Account Statement Cash Summary Cash Detail Loan Detail
	#M	ISIR Import Add
## = Cycle year	#N	Packaging Import Add

ED Inititated Message Classes

Message Class	Description
ED0100OP	Optional loan detail exception report for booked loans
ED0200OP	Optional loan detail exception report for unbooked loans
ED0300OP	Duplicate student borrower report
ED0400OP	Delinquent borrowers report (from CDS)
ED0600OP	Inactivate loans report (Optional)
ED0700OP	Name, SSN, and/or Birth Date change report (from CDS)

Finish What You Start

A cycle is not complete until you finish its last activity. The last activity is usually importing an acknowledgement. Your school may require more steps to complete a cycle. The key is to complete each activity in the cycle.

The following charts represent five basic Direct Loan processing cycles. Each illustrates the conceptual processes that are required to complete the cycle.

Full Origination	
Start	**Finish**
• Export Full Origination Record • Origination. Status = **B** • Create Batch ID (**#D**) in Batch Activity Database • Transmit Message Class (DESF, DEPF) with communications interface	• Receive DISF, DIPF in communications interface • Import Full Summary Acknowledgement • Origination. Status = **A** or E • #D Batch is confirmed

Note:

*Rejected records have a status flag of **E**. Only records with status flag **A** are considered complete.*

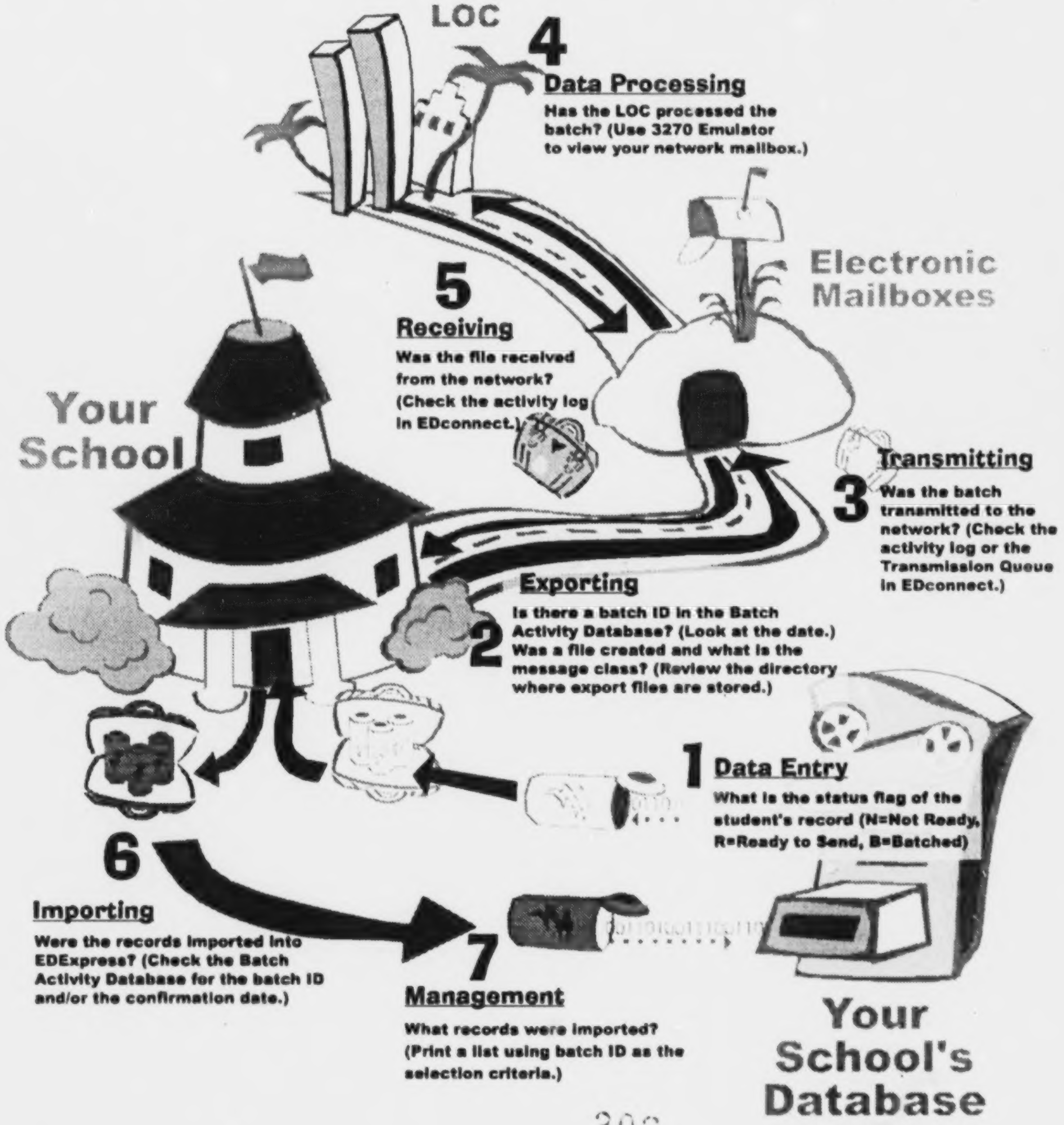
Changes	
Start	**Finish**
• Export Changes • Create Batch ID #E • Transmit Message Class (DESC) with EDconnect	• Receive DIOC with EDconnect • Import Change Acknowledgements • Change is accepted or rejected • #E Batch is confirmed

Promissory Notes	
Start	**Finish**
• Export Paper Shipping Manifest • Promissory Note Status = **S** • Create Batch ID **#A** • Transmit DEPM with EDconnect • Mail promissory notes to LOC	• Receive DIPA with EDconnect • Import promissory note confirmation • Promissory Note Status = **A, E** • **#A** Batch is confirmed

Actual Disbursements and Adjustments to Actual Disbursements	
Start	**Finish**
• Export Disbursement • Disbursement Status = **B** • Create Batch ID **#H** • Transmit DESD with EDconnect	• Receive DIOD with EDconnect • Import Disbursement Acknowledgements • Disbursement Status = **A, E** • Change is accepted or rejected • **#H** Batch is confirmed

Reconciliation	
Start	**Finish**
• Import DLSAS • Compare school data with the DLSAS • Identify any discrepancies	• Resolve discrepancies

Where to Look When Things Don't Happen



1 Data Entry

What is the status flag of the student's record (N=Not Ready, R=Ready to Send, B=Batched)

2 Exporting

Is there a batch ID in the Batch Activity Database? (Look at the date.) Was a file created and what is the message class? (Review the directory where export files are stored.)

3 Transmitting

Was the batch transmitted to the network? (Check the activity log or the Transmission Queue in EDconnect.)

4 Data Processing

Has the LOC processed the batch? (Use 3270 Emulator to view your network mailbox.)

5 Receiving

Was the file received from the network? (Check the activity log in EDconnect.)

6 Importing

Were the records imported into EDExpress? (Check the Batch Activity Database for the batch ID and/or the confirmation date.)

7 Management

What records were imported? (Print a list using batch ID as the selection criteria.)

Production Schedules

The most important component of the EDE process is the management of your data. You need to know where your data is stored, when you transmitted a batch, and when you receive data from a processor. The first step to good data management is creating a production schedule.

The following tables provide examples of application processing and Direct Loan schedules. For each batch of data that you send to CPS or the LOC, you receive processed data. For application processing, that data may be an ISIR; for Direct Loan, an acknowledgement. Your goal for any type of data you send is to successfully track a record from entry through receipt and processing. Having a defined schedule assures that batches or records aren't misplaced and cycles are completed.

Regular Production

	Monday	Tuesday	Wednesday	Thursday	Friday
am	Import Full/Acks*			Import Full/Acks*	
	Import PLUS Credit Updates			Import PLUS Credit Updates	
	Import Change Acks			Import Change Acks	
	Import Prom Acks			Import Prom Acks	
	Import Disbursement Acks			Import Disbursement Acks	
all day	Enter Loan Records/changes	Enter Loan Records/changes	Enter Loan Records/changes	Enter Loan Records/changes	Enter Loan Records/changes
	Rec ord P-notes signed	Record P-notes signed	Record P-notes signed	Record P-notes signed	Record P-notes signed
	Record/Adj Disbursements	Record/Adj Disbursements	Record/Adj Disbursements	Record/Adj Disbursements	Record/Adj Disbursements
			Export Full* Origination Records		Export Full* Origination Records
pm		Export Change Records		Export Change Records	
		Print P-notes		Print P-notes	
			Export Manifest		Export Manifest
			Mail Notes to LOC		Mail Notes to LOC
		Print Mailing Labels for P-note batch = today's batch	Export Disbursement	Print Mailing Labels for P-note batch = today's batch	Export Disbursement

*Remember to export both Stafford and PLUS loan records.

Other Activities

Monday	Tuesday	Wednesday	Thursday	Friday
Import 30-Day Warning				
		Import DLSAS		Import exception report from the LOC (optional)
	Run Pending Disbursement List (next three days P-note Status = **A**)	Compare school data to LOC data	Run Pending Disbursement List (next three days P-note Status = **A**)	
	Drawdown		Drawdown	
	Record Receipt in Cash Management[1]	Send electronic file to the LOC (optional)	Record Receipt in Cash Management[1]	
Import Initial SSCR file[2]				Export Automatic/ Manual SSCR Batch
Run Back Up	Run Back Up	Run Back Up	Run Back Up	Run Back Up
				Reorganize Files•
				Archive Data Files in C:\IAM\DATA

• = biweekly

[1] = also record returned excess cash if necessary

[2] = every 60 days or when scheduled with NSLDS

Backing Up Data

Have you thought about what might happen if your PC's hard drive crashed? To ensure against this and other catastrophes, you should create a set of procedures and schedule for backing up your data. Generally, it is a good idea to create at least two consecutive system backups.

How often you back up your system is determined by how much work you are willing to recreate in a given amount of time. Some very large institutions back up their data twice a day, because they are unwilling to lose more than a half-day's work to a system failure. Smaller institutions may consider a daily or weekly procedure.

Another good time to back up your system is just before you install an upgrade version of EDExpress. If a failure occurs during the installation that corrupts your data, you can easily restore the data created prior to the failed installation.

You can choose any of several methods to use for backup of your data. The simplest involves using the Windows backup utility to save the data to floppy diskettes. Tape drive systems are more efficient and relatively inexpensive. Whatever method you choose, backup, backup, backup!

Sample Data Processing Log

EDExpress		EDconnect				EDExpress	
Batch ID#	Export File Name (Message Class) (Date)	File Transmitted ✔ (Initials)	Date	Received File Name (Message Class) (Date)	Date	File Imported ✔ (Initials)	Date

EDExpress

Batch ID#–This is the identification number assigned to each batch when you export a file in EDExpress. You get this number from the Export Statistics box each time you complete an export or from the Batch Activity Database. Note that the date of this export is contained in the batch ID#.

Export File Name–This is the message class name for your export file. The default name is in the File Name field in the Export dialog box. Example: If file name is C:\IAM\DATA\DEFS00IN.001, write **DEFS00IN.001** as the log entry. You should also enter the date of the file name.

EDExpress	
Batch ID#	Export File Name (Message Class) (Date)
#C0G010011999071955539	DESF00IN.DAT 09/04/99

EDconnect

File Transmitted–Place a checkmark and initial when you have identified the message class in EDconnect and successfully transmitted the file. If the file is successfully transmitted, there will be an entry in EDconnect Activity Log.

Date–The date of successful transmission. This should be the same date found in the EDconnect Activity Log.

Received File Name–This is the message class name you receive from EDconnect when you transmit a Receive Request. Any message classes that you successfully receive will be entered in the EDconnect Activity Log. You should also enter the date the file was created.

Date–Enter the date you received the file from the network.

EDconnect

File Transmitted ✔ (Initials)	Date	Received File Name (Message Class) (Date)	Date
P/ADB	09/05/99	DISF00OP.DAT 09/08/99	09/09/99

Tip:

You can export this information to a spreadsheet by using the Browse/Direct Loan function in EDExpress. You can also print the activity log from EDconnect.

EDExpress

File Imported–Check this box and initial when you import the received file into EDExpress. Importing this file updates EDExpress with vital information and keeps your records current. A confirmation date is entered in the Batch Activity Database at this time.

Date–This is the date you imported the file into EDExpress.

EDExpress	
File Imported ✔ (Initials)	Date
P/ADB	09/09/99

Database Management

EDExpress provides utilities to help you maintain the integrity of your database. You should periodically use each of these utilities to help prevent problems.

Run the utilities in this order:

1. Repair Database
2. Compact Database
3. Database Verification
4. Repair and compact the database again

You can run each of these weekly to help prevent problems. We also recommend that you back up your system regularly (at least weekly), especially the directory where your database file (EXPRES90.MDB) resides.

Before using this utility, be sure you have hard drive space available that is equal to the size of your database.

Repair Database

The Repair Database utility repairs a corrupted database structure. Your database may become corrupted if EDExpress is interrupted unexpectedly by a power outage, a LAN failure, or other problem while it is updating records. EDExpress might not detect database corruption, so if your system behaves unpredictably (for example, you start getting error messages), use Repair Database to fix the database.

Compact a Database

The Compact Database utility makes a new, organized copy of the EDExpress database.

As you work with records in the EDExpress database, you add, change, and delete data. This causes the database file to become fragmented. Compacting the database makes the database smaller and improves system performance.

Database Verification

The Database Verification utility checks for data relationship integrity in your database. When a record is missing one of its associated records, Database Verification recreates the missing record. Use Database Verification when EDExpress for Windows or your computer "crashes" or abnormally halts processing.

When you run Database Verification, we recommend that you check the "Prompt for errors?" checkbox and that you choose the "Resolve all?" option when you encounter the first error. If you do not choose these options, Database Verification does not resolve the errors it finds. Also, be sure to route a list of the errors resolved to your printer or to a file so that you can check any records affected for accuracy.

System Locks

If you exit EDExpress abnormally, such as when the system crashes, your user ID and possibly the record you had open will be locked when you attempt to log back in to the software. You should always have one administrator ID that is not in daily use, that will allow you to log in to the software if such a system crash occurs. Depending on the situation, the following describe how to reset or clear the locking problem.

"Already Logged In" Warning

If you exit EDExpress abnormally, such as when the system crashes, you may get the message "Already logged in" when you try to log in again. In this case, the EDExpress system administrator should go to **Tools/Setup/Global/Security Users**. Select your user ID record and click the **Logged In** checkbox to remove the checkmark.

Clear Record Locks

Record locking prevents multiple users in a LAN environment from accessing the same student record at one time. Occasionally, record locks are not cleared if a user exits a record improperly. If this happens, no one can access that record.

Clear record locks by selecting **Tools/Utilities/Clear Locks...** Before using this function, be sure to back up your database and make sure the user ID that has the record locked is no longer logged on.

The 30-Day Warning Report

The Loan Origination Center generates a report listing loan IDs for which the LOC is missing components that are required to book the loan that is outstanding for more than 30 days.

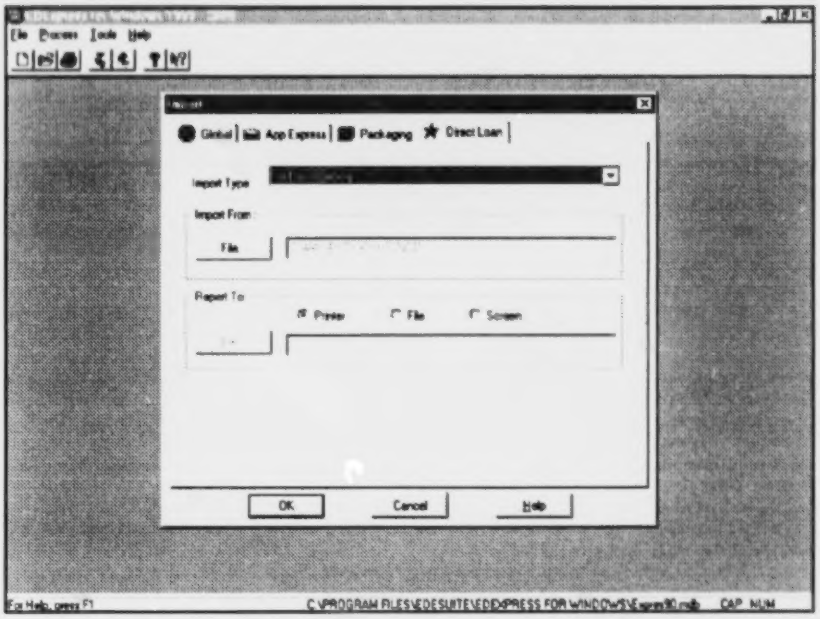
Select the ***Direct Loan*** *tab.*

Select ***30-Day Warning*** *as the Import Type.*

Click the Import From ***File...*** *button.*

Click the message class you wish to import.

Click ***OK****.*


File
Process
Tools
Help
Import
Global
App Express
Packaging
Direct Loan
Import Type
Import From
File
Report To
Printer
File
Screen
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\
CAP NUM

Duplicate Student Borrower and Delinquent Borrower Reports

The Duplicate Student Borrower Report assists you with the identification of student borrowers across multiple schools with equal or overlapping academic years. Using this report, you may identify loan limit issues and contact other schools to update Loan Origination Records to resolve the discrepancy. For each record the report includes:

Borrower Name
SSN
Loan ID
Lower amount of Loan Approved or Loan Requested
Total Actual Gross Disbursements
Grade Level
Loan Period
School Code, Name, Address and Telephone Number
Borrower Academic Year
Dependency Status
Additional Unsub. Eligibility
Dependent Student
HEAL flag

The Delinquent Borrower Report indicates borrowers who are at least 31 days delinquent in making their loan payments. The report includes detail information about each borrower including their address and payment information. The report also includes summary information in three sections: Stafford Borrowers, In-School Consolidation Borrowers and all Borrowers. You may request the Delinquent Borrower Report in either report or data format.

Just as you did for the exception report in Chapter 8, you must add these files into the ED Initiated Imports under Tools/Setup in the Global function. The Duplicate Student Borrower Report should be in the ED0300OP field and the Delinquent Borrower Report should be in the ED0400OP field.

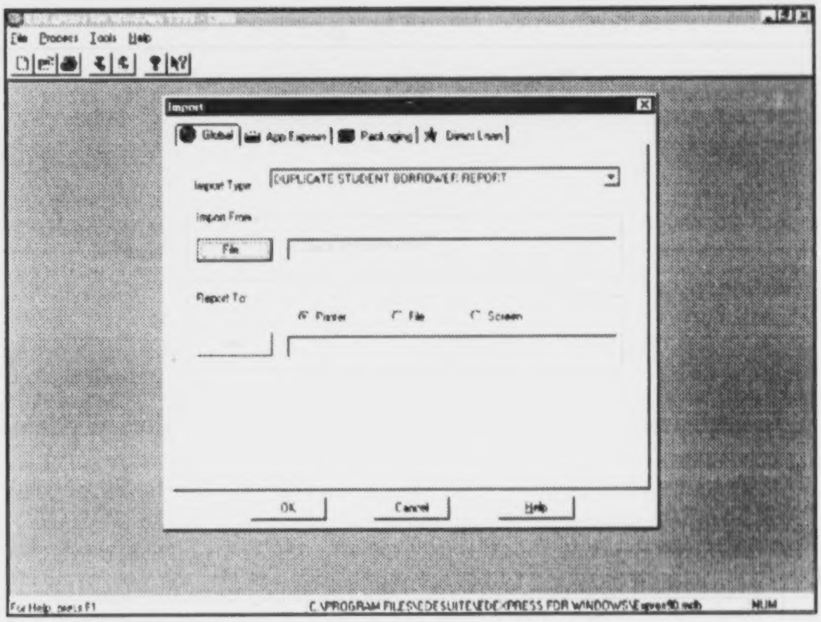
Remember:

Any titles added to ED Initiated Imports are found in the App Express module.

Click **File/Import**.

Select the **Global** tab.

Click the **down arrow** in the Import Type field to find the title you added.



File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Import From
File
OK
Cancel
Help
For Help, press F1
NUM

Import Type: DUPLICATE STUDENT BORROWER REPORT

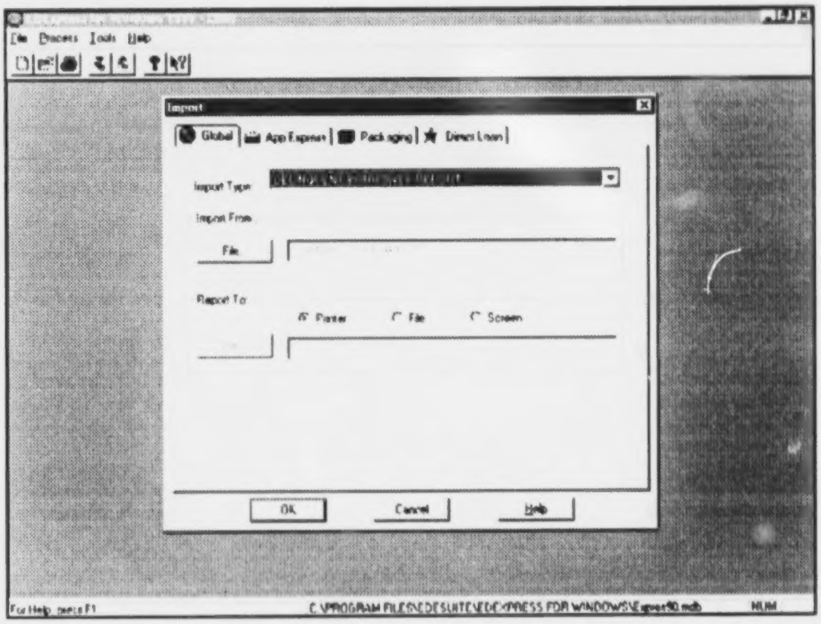
Report To: ● Printer ○ File ○ Screen

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expwr90.mdb

Click **File/Import**.

Select the **Global** tab.

Click the **down arrow** in the Import Type field to find the title you added.



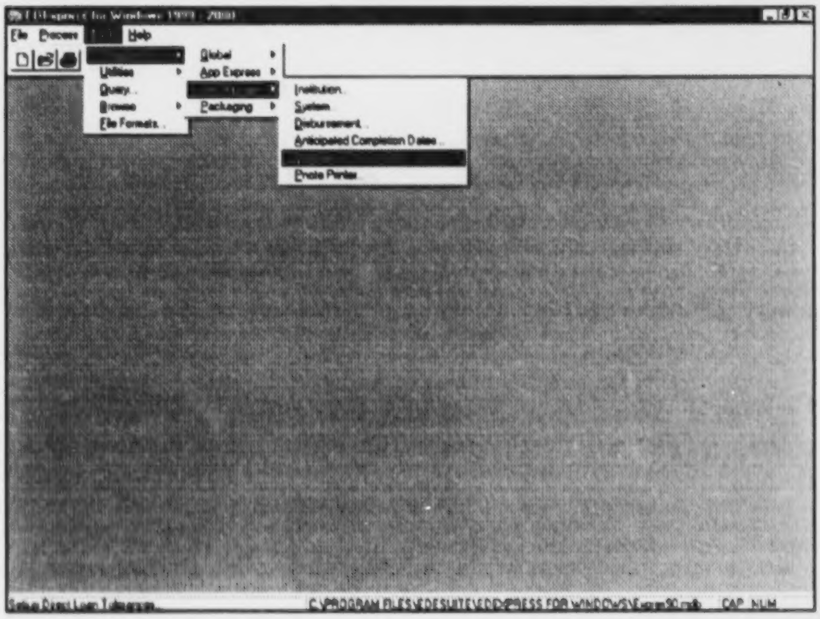
File Process Tools Help
Import
Global
App Express
Packaging
Direct Loan
Import Type
Import From
File
OK
Cancel
Help
For Help, press F1
NUM

Report To: ● Printer ○ File ○ Screen

C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expwr90.mdb

Measurement Tools

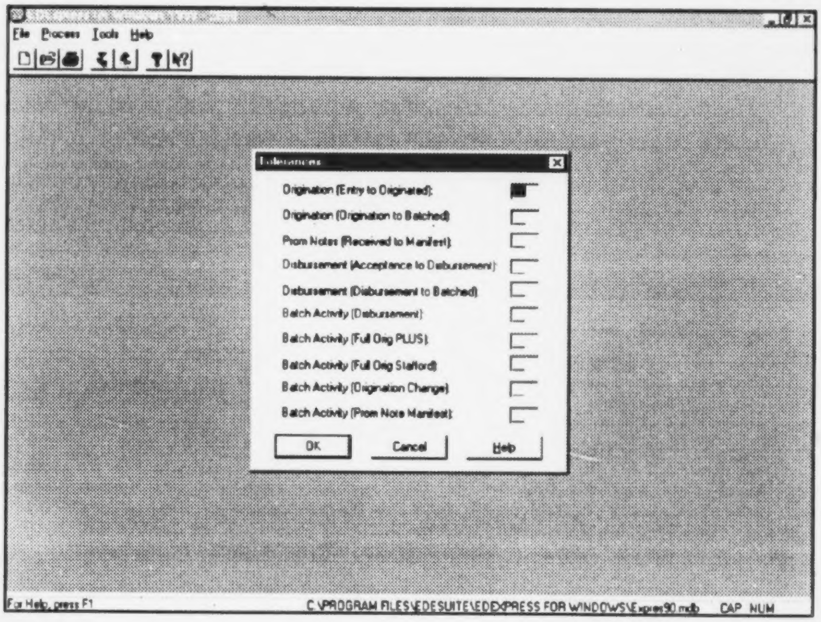
Measurement tools are a series of reports designed to help you evaluate your various direct loan processes and assist in quality assurance for the Direct Loan Program. In Direct Loan Setup, you can set your school's tolerance in several areas. These tolerance settings act as a filter when you print the associated measurement report.


EDExpress for Windows 1999 - 2000
File
Process
Help
Global
App Express
Utilities
Query...
Browse
File Formats...
Packaging
Institution...
System...
Disbursement...
Anticipated Completion Dates...
Private Printer
Setup Direct Loan Tolerances...
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expre90.mdb
CAP NUM

*Select **Tools/Setup/ Direct Loan/Tolerances** from the main menu.*

Type the desired tolerance measure for each field.

*Click **OK**.*


File
Process
Tools
Help
Tolerances
Origination (Entry to Originated):
Origination (Origination to Batched)
Prom Notes (Received to Manifest):
Disbursement (Acceptance to Disbursement):
Disbursement (Disbursement to Batched)
Batch Activity (Disbursement)
Batch Activity (Full Orig PLUS):
Batch Activity (Full Orig Stafford)
Batch Activity (Origination Change)
Batch Activity (Prom Note Manifest):
OK
Cancel
Help
For Help, press F1
C:\PROGRAM FILES\EDESUITE\EDEXPRESS FOR WINDOWS\Expres90.mdb
CAP NUM

Measurement Tools Reports

The following reports are available to users of EDExpress to assist in managing the Direct Loan process at their institutions. You may want to develop similar reports to gather data from your custom system.

Booked Status Measurement Report

This report will provide a review of booked and unbooked records on the database up to a given end date in separate sections. The report will be used to compare Direct Loan data to LOC data received in the Direct Loan School Account Statement.

Origination Change Measurement Report

This report provides information on the number of times loan origination records are changed and which fields have changed. The report prints the student's loan ID, loan transmit number, the fields that have changed and the field transmit number.

Promissory Note Measurement Report

This report monitors the process of receiving signed promissory notes from borrowers, updating EDExpress with the date signed, and sending the signed notes, with a manifest, to the LOC. This report contains detailed records of all active originated loan records on the database with a promissory note received date.

Batch Regeneration Measurement Report

This report provides the counts of batches regenerated by batch type.

Loan Origination Measurement Report

This report monitors the process of loan origination from entering loan records through batching loan records for transmission to the LOC. The report prints detail records, divided by loan type, of all the originated loan records on the database and calculates totals.

Direct Loan Volume Measurement Report

This report provides the volume of booked loans on your database by loan type. The detail section of the report lists the gross and net loan amounts.

Batch Activity Measurement Report

This report monitors the process of creating, transmitting, and importing batches.

Promissory Note Volume Measurement Report

This report provides the volume of all promissory notes printed by your institution during a specified period. In addition to the totals, loan type percentages of the total promissory notes are calculated by this report.

Disbursement Measurement Report

This report monitors the disbursement process by calculating and averaging the actual processing time of loans (from acceptance of the promissory note to sending the actual disbursements, in a batch, to the LOC). The report compares the average number of days elapsed to your institutional tolerances (or guidelines).

Discussion Questions for Chapter 9

1. What options are available for recording exports and imports?

2. How can you tell if you retrieved a file from the Title IV network?

3. What component of the batch ID indicates the type of data contained in the batch?

4. Name two uses of queries.

5. In what order should you run the database management utilities?

Chapter 10

Loan Servicing Issues

When you must resolve an issue regarding a student's loan, who do you call? The Loan Origination Center? The Loan Servicing Center? Don't know? In this chapter you learn the functions of each and the entrance/exit interview requirements of the Direct Loan Program.

10 Loan Servicing Issues

Objectives

1. Identify the separate responsibilities of the Loan Origination Center and the Loan Servicing Center.
2. Identify Loan Origination Center activities related to loan origination and reconciliation.
3. Describe Loan Origination Center activities related to borrowers and schools, including the process established by ED for problem resolution.
4. Identify the Loan Servicing Center activities related to loan servicing and collection.
5. Describe Direct Loan repayment options, loan consolidation, and certification of borrower's eligibility.
6. Identify entrance and exit counseling requirements.
7. Describe the process of certifying borrower enrollment status through the use of the Student Status Confirmation Report (SSCR).

Loan Service Providers

The Loan Origination Center (LOC) and the Direct Loan Servicing Center (DLSC) are both responsible for loan services. Many of the general responsibilities of the LOC and the DLSC are similar, such as:

- Maintaining audit trails
- Providing accounting support
- Facilitating inquiries from ED and from participating schools
- Providing for reporting needs
- Interfacing with other systems
- Providing customer service

The LOC was created to improve service and reduce the administrative costs of the Direct Loan program to schools and the federal government. In general, the LOC is responsible for activities associated with a loan until the loan is "booked."

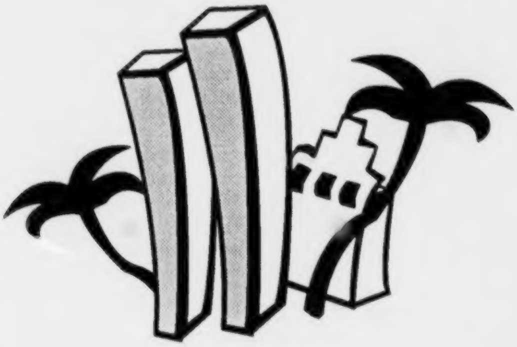
The DLSC assumes responsibility for activities after the loan is "booked." These activities are performed by Affiliated Computer Systems (ACS) in Utica, New York.

Loan Origination Center

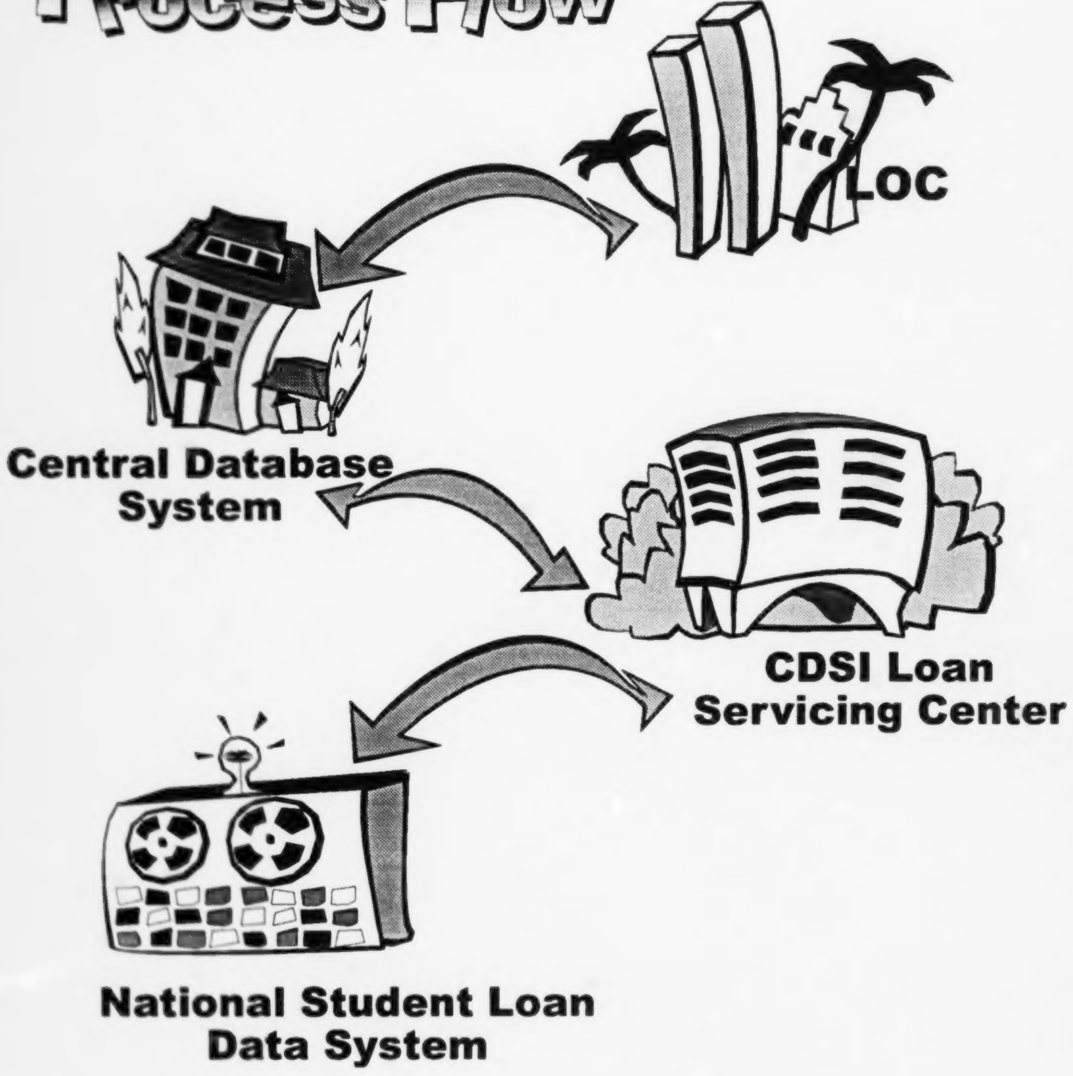
Specific responsibilities of the Loan Origination Center include:

- Processing school and applicant inquires about the loan application process and promissory note completion.
- Conducting credit checks for Direct PLUS borrowers.
- Printing and managing promissory notes for Standard Origination schools and printing notes if requested to do so by Option 1 and 2 schools.
- Maintaining a loan database, including all initial loan originations and changes, corrections, additions, and deletions to the data.
- Reporting loan information to the NSLDS and the Department's Central Data System.
- "Booking" loans when origination records, promissory notes, and initial disbursement records are complete.
- Calculating funding needs and requesting funds for Option 1 and Standard Origination schools.
- Comparing information in the Loan Origination Center database with reconciliation information submitted monthly by the school.
- Supporting entrance and exit counseling.
- Processing Direct Consolidation Loan requests.

Most of these Loan Origination Center functions have already been described.



Loan Information Process Flow


LOC
Central Database System
CDSI Loan Servicing Center
National Student Loan Data System

Contacting the Loan Origination Center

The Loan Origination Center maintains toll-free telephone numbers and special mailing addresses to support inquiries from borrowers as well as schools.

Borrowers

For all correspondence concerning the loan application process, borrowers should write or call:

Applicant Services
U.S. Department of Education
Direct Loan Origination Center
P.O. Box 5691
Montgomery, AL 36103-5691
800/557-7394
TDD: 800/557-7395

Schools

The Loan Origination Center maintains a toll-free number and special mailing addresses to support school inquiries. For paper Direct Subsidized and Direct Unsubsidized Loan promissory notes, Direct PLUS application/promissory notes, other origination materials, and counseling materials, contact:

School Services
Direct Loan Services
P.O. Box 5692
Montgomery, AL 36103-5692
1-800-848-0978
FAX: 800/557-7396

For overnight/express delivery:

U.S. Department of Education
Loan Origination Center
474 South Court Street, Suite 500
Montgomery, AL 36104

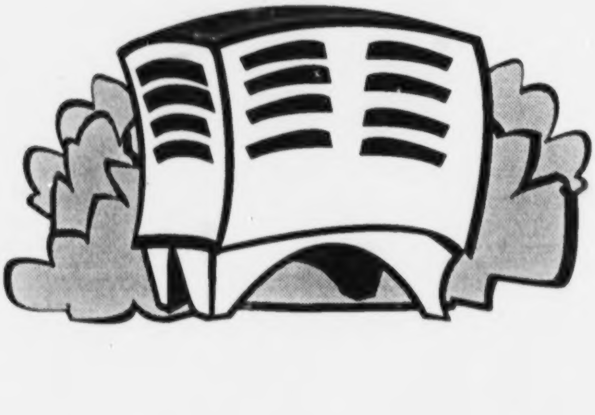
Schools should mail checks for excess cash to the following address:

Direct Loan Services
Attn: Excess Cash
P.O. Box 2011
Montgomery, AL 36102-2011

Loan Servicing Center Borrower Services

Borrower services after the loan is "booked" will be provided by the Direct Loan Servicing Center. Servicing Center activities include:

- Contacting students after initial loan disbursement with additional loan program information.
- Applying accrued and capitalized interest, applying fees, and maintaining borrower account balances.
- Recording all payments received daily, and applying payments to borrower accounts.
- Tracking payments and researching unapplied payments.
- Tracking loans through in-school and in-grace statuses, and converting loans to repayment status.
- Processing deferments and forbearances.
- Reporting loan information to the NSLDS and the Department's Central Data System.
- Collecting and processing all information required to support the borrower's selection of loan repayment plans.
- Performing comprehensive loan collection activities, including billing, repayment plan counseling, letter writing, telephone calling, skip tracing, and borrower tracking activities.



Deferment and Forbearance Assistance

After the beginning of the repayment period, a borrower may request that loan payments be deferred or reduced during authorized periods. The Servicing Center notifies the borrowers of deferment and forbearance options when sending a repayment schedule and when beginning delinquent loan collection.

The notification describes the options available to borrowers and provides a telephone number or address for further assistance. Regarding deferments and forbearance:

- Borrowers may request forms from their school, the Servicing Center, or from the Department's Direct Loan web site.
- The Servicing Center sends the requested forms to the borrower within three business days of receiving the request.
- The Servicing Center tracks all requests.
- The borrower must provide information and documents to establish eligibility for a specific type of deferment or forbearance.
- The Servicing Center works to meet borrower needs for deferments and forbearances while maintaining compliance with the law and regulations.

The Loan Servicing Center reviews deferment and forbearance forms for completeness and accuracy. If necessary, the Loan Servicing Center will contact and assist borrowers in order to obtain a complete request.

The Loan Servicing Center will grant a forbearance to borrowers when the borrower is willing to repay the loan but, due to poor health or other acceptable reasons defined by ED, is unable to make scheduled payments. Forbearance is also granted when the borrower is completing a specified medical or dental internship or residency, is serving in a National Service position, or has a specified high burden of Title IV loan debt.

The borrower should contact the Direct Loan Servicing Center to find out additional information about deferment and forbearance eligibility.

Note:

When a borrower becomes delinquent, collection activities will continue until the Loan Servicing Center receives all information and documents necessary to establish eligibility for deferment or forbearance.

Annual Statements

The Loan Servicing Center prepares and sends annual statements. These statements can also be generated upon a borrower's request. The annual statement includes:

- Borrower identification number
- Borrower name and address
- Period covered by statement
- Beginning account balance of all the borrower's open Direct Loans
- Account activity for the year
- Ending account balance
- Toll-free customer service telephone number

The statement also includes any additional information required for adequate reporting as required by ED.

Contacting the Loan Servicing Center

Borrowers

Borrowers can locate the address and toll-free telephone numbers to the Loan Servicing Center on all correspondence they receive from the DLSC. The general correspondence addresses and toll-free telephone numbers for borrower inquiries are:

U.S. Department of Education
Borrower Services Department
Direct Loan Servicing Center
P.O. Box 4609
Utica, NY 13504-4609
800/848-0979
TDD 800/848-0983
FAX: 800/848-0984
Delinquent Account/Collections Department: 800/848-0981

Direct Loan Payment Center:

P.O. Box 746000
Atlanta, GA 30374-6000

Schools

The Direct Loan Servicing Center maintains a toll-free number to support schools: 1-888-877-7658.

Making Payments

Borrowers should send payments to:

U.S. Department of Education
Direct Loan Payment Center
P.O. Box 746000
Atlanta, GA 30374-6000

Note:

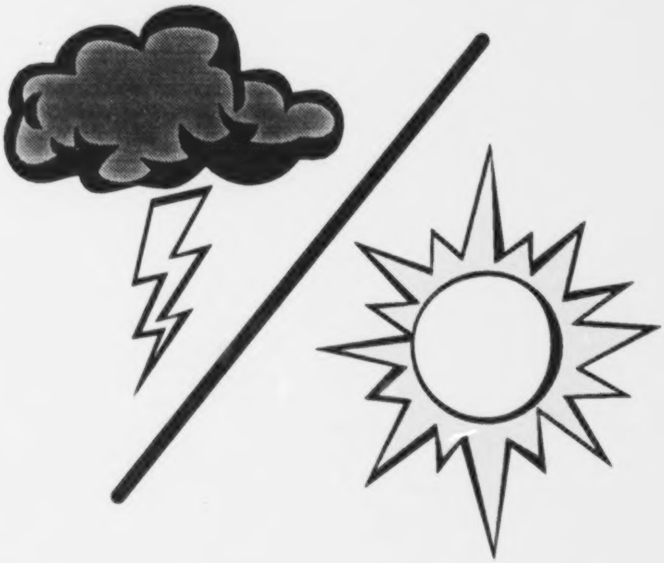
To expedite paymentsborrowers must use the US Postal Service since other major delivery companies do not deliver to Post Office boxes.

Problem Resolution

If a school or a borrower has a complaint related to either the Loan Origination Center or the Direct Loan Servicing Center, they should contact the School Services or Borrower Services unit. If further action is necessary, the school or borrower should contact the Regional Direct Loan Account Management Staff in their region. The Account Management Staff will research questions and complaints, follow up if necessary, and attempt to come to a resolution. The telephone numbers of the Regional Account Managers are listed in Appendix C.

When ED receives a complaint about any center (Loan Origination or Servicing), a copy of the complaint is sent to the appropriate center. Complaints concerning collection activity at a Servicing Center are handled as follows:

- If the complaint is received by the Servicing Center directly from a borrower, the Servicing Center sends a copy of the complaint to ED within three business days of receipt.
- Within five business days, the Servicing Center sends ED a copy of its collection activity record on the account and any other relevant information so that ED can respond to the complaint.
- If the complaint alleges a violation of state or federal law, the Servicing Center temporarily ceases collection activity on the account in question.
- Collection activity on the account is not resumed until resolution of the complaint has been approved by ED.



Direct Loan Repayment

Under the Direct Loan Program, student borrowers have four types of repayment plans available, while parent borrowers have three repayment plan options.

Alternative repayment plans are also available for borrowers with exceptional circumstances.

A student borrower may choose any of the available repayment plans:

- Standard
- Extended
- Graduated
- Income Contingent

A parent borrower may choose any plan except the Income Contingent repayment plan.

These plans are shown in the chart on the following page.

Direct Loan Program Repayment Plans

Standard Repayment Plan	• Fixed monthly repayment amount paid over a fixed period of time[1] • Maximum repayment period 10 years[2] • $50 minimum monthly
Extended Repayment Plan	• Fixed monthly repayment amount paid over an extended period of time[1] • Maximum repayment period varies depending upon total amount of borrower's Direct Loans[2,3] • Fixed payments of at least $50 per month.
Graduated Repayment Plan	• Payments graduate every two years[1] • Maximum repayment period varies depending upon total amount of borrower's Direct Loans[2,3] • Minimum monthly payment must cover at least interest that accrues monthly • Minimum scheduled payments may not be less than 50% nor more than 150% of amortized payment if loan repaid under the Standard Repayment Plan
Income Contingent Repayment Plan	• Not available to Federal Direct PLUS borrowers • Maximum repayment period may not exceed 25 years[4,5] • Varying annual payment amounts generally based on AGI of borrower and spouse and total amount of Direct Loans, but will never exceed 20% of discretionary income

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[1] The monthly amount a borrower pays reflects annual changes in the variable interest rate.

[2] Excludes any period of authorized deferment or forbearance.

[3]
- 12-year maximum repayment period if total amount of Direct Loans is less than $10,000
- 15-year maximum repayment period if total amount of Direct Loans is between $10,000 and $19,999.99
- 20-year maximum repayment period if total amount of Direct Loans is between $20,000 and 39,999.99
- 25-year maximum repayment period if total amount of Direct Loans is between $40,000 and $59,999.99
- 30-year maximum repayment period if total amount of Direct Loans is equal to or greater than $60,000

[4] If the loan is not repaid within the maximum repayment period, the remaining portion of the loan is cancelled. Any cancelled loan amount is considered taxable income.

[5] Excludes any period of authorized deferments or forbearance and any periods during which the borrower made repayments under an extended repayment plan with greater than 12-year terms, a graduated plan, or an alternative repayment plan.

If the borrower does not indicate his or her choice of repayment plan, ED schedules the borrower's loan repayments according to the standard repayment plan.

The borrower may change repayment plans at any time and may accelerate his or her payments without penalty.

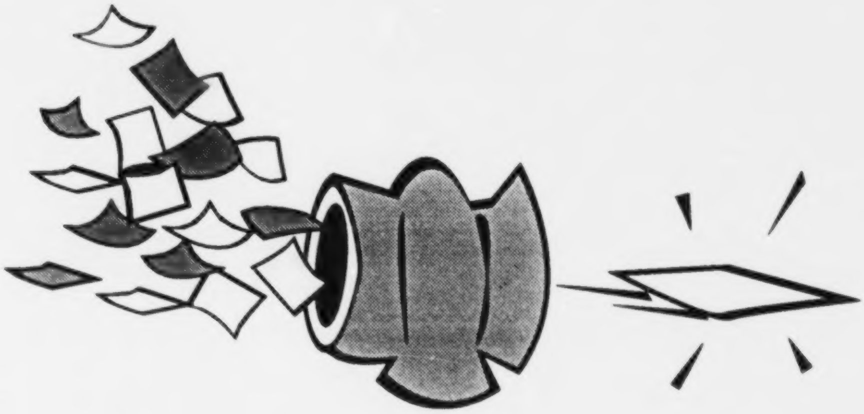
In addition, ED can establish, on a case-by-case basis, an alternative repayment plan for a borrower who demonstrates that the terms and conditions of the available repayment plans are inadequate to accommodate the borrower's exceptional circumstances. The maximum repayment period is 30 years.

Under both the alternative and income contingent repayment plans, interest that accrues and is not paid will be capitalized annually until the outstanding principal is 10% greater than the original principal amount. After this point, interest will continue to accrue but will not be capitalized.

Loan Consolidation

Loan consolidation is an option for both student and parent borrowers. A borrower may consolidate one or more education loans made under certain federal programs into one or more Direct Consolidation Loans. Borrowers may initiate consolidation during the in-school period if they are consolidating FFEL loans and Direct Loans. Also, borrowers consolidating only FFEL Program loans may initiate consolidation during the in-school period if they are attending a Direct Loan school.

The chart on the following page contains information specific to in-school consolidation.



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In-School Consolidation

Who Qualifies

- Students attending a Direct Loan school who have at least one Direct Loan or FFEL Program loan during an "in-school" period.
- Students attending schools that do not participate in the Direct Loan Program who have at least one Direct Loan or FFEL Program loan during an "in-school" period.

Advantages to Students

- One request to apply for deferment or change student status or address.
- The interest rate on a Direct Consolidation Loan for which an application is received between February 1, 1999 and June 30, 2003 is based on the weighted average of the interest rates on the loans being consolidated, rounded to the next highest one-eighth of one percent. This rate shall not exceed 8.25 percent. It is a fixed interest rate that remains the same throughout the life of the Direct Consolidation Loan.
- No consolidation fee.
- No minimum or maximum loan amounts.

Advantages to Schools

- One student status report request per student.

Restrictions

The following loans cannot be included in an in-school direct consolidation loan. However, they may be consolidated after the borrower ceases to be enrolled at least half-time at an eligible school.

- Federal Perkins loans
- National Direct Student loans
- National Defense Student loans
- Health Education Assistance loans
- Health Professions Student loans
- Nursing Student loans
- Loans for Disadvantaged Students

Advice for Counselors

- Borrowers receive a grace period on a Direct Consolidation Loan if that loan includes one Direct Loan or FFEL Program loan in an in-school period at the time of application.
- Borrowers whose loans are in a grace period should be encouraged to wait until the last month of that grace period to apply for consolidation. Repayment on consolidation loans begins within 60 days of the first disbursement; thus a premature consolidation appreciation could cut short the grace period of a borrower who applied too early.

Entrance/Exit Loan Counseling

Conducting entrance and exit loan counseling is not a new school activity. Schools currently perform these functions under the FFEL and Federal Perkins Loan programs.

To summarize the requirements, a school must:

- Conduct entrance counseling electronically or in person (or by mail for correspondence or study abroad borrowers) prior to disbursing a loan to a first-time borrower;
- Conduct exit counseling electronically or in person (or by mail for correspondence or study abroad borrowers) before a borrower ceases to be enrolled or reduces enrollment to less than half-time, or within 30 days after learning that the student has withdrawn or failed to attend scheduled exit counseling;
- Adopt an alternative approach as part of the school's quality assurance plan (for entrance counseling only). Schools cannot adopt the alternative approach for exit counseling.

In each counseling session, the borrower is presented with the terms and conditions of the loans, including:

- The interest rate on the loan;
- His/her rights and responsibilities to repay the loan;
- The terms and procedures of applying for deferment and forbearance; and
- The various repayment options.

Direct Loan entrance/exit counseling requirements are the same as the FFEL Program's requirements, including documentation. These requirements are summarized in the chart on the following page.

WHAT to cover:	
CORE ITEMS (for both entrance and exit counseling)	
◇ Remind students to keep Servicing Center informed ◇ Review loan terms and conditions ◇ Review student rights and responsibilities ◇ Review deferment, forbearance, and cancellation conditions ◇ Review critical information by having students take a written test (example in Borrower's Guide)	◇ Counsel on personal financial planning ◇ Remind borrowers to contact Servicing Center if they have any difficulty making a payment ◆ Emphasize seriousness and importance of repayment ◆ Describe in "forceful terms" the likely consequences of default, including damaged credit ratings, legal action taken against borrowers, wage garnishment, and withholding of income tax refund
ENTRANCE	**EXIT**
◆ Provide borrowers with average indebtedness of students who have borrowed Direct Subsidized or Direct Unsubsidized Loans to attend your school or to enroll in the borrower's particular program of study ◆ Inform student borrowers of the average anticipated monthly payments for your school's students based on the average indebtedness figures described above ◇ Review available repayment options ◆ If alternative approach was used: • ensure that first-time borrowers are provided with written materials on required entrance counseling items • target those students most likely to default and provide them with more intensive counseling and support services • include outcome-oriented performance measures	◆ Inform the borrower of average anticipated monthly payments for the borrower's loans (may use student-specific materials prepared by the Servicing Center) ◆ Review available repayment options and loan consolidation ◆ Provide information on debt management strategies ◆ Review conditions for deferment or cancellation of loans ◆ Correct institutional record, if needed, of borrower's name, address, social security number, references, expected employment, driver's license number, and state of issuance ◆ Provide any changes to borrower information (above) to ED within 60 days of receipt ◆ Explain to the borrower how to contact the borrower's Servicing Center
WHEN to cover:	
ENTRANCE	**EXIT**
Prior to delivery of the first disbursement of a loan to any first-time borrower	Shortly before any borrower ceases at least half-time enrollment or (by mail) within 30 days after learning that student has withdrawn or failed to attend scheduled exit counseling or (by mail) within 30 days after the borrower complete the program for correspondence students
HOW to cover:	
ENTRANCE	**EXIT**
In-person, by videotaped presentation, or by computer-assisted technology. Individual with Title IV expertise must be available to answer borrower's questions. Written counseling materials permissible for students enrolled in correspondence study, study, abroad programs, or if the school uses the alternative approach.	In-person presentation or electronically. Written counseling materials: 1) permissible for students enrolled in correspondence study, external degree, or study abroad program; 2) mandatory for students who have withdrawn without notifying the school or failing to attend scheduled exit counseling. Provision must be made to collect required updates of information for reporting to Servicing Center.

◇ Recommended for compliance with Part 668 Appendix D (Default Reduction Measures, Student Assistance General Provisions regulations)

◆ Required for compliance with Section 685.304 of the program regulations

Entrance and Exit Counseling Support

The LOC supports entrance counseling by providing borrowers with an introduction to their Direct Loan. They also distribute entrance interview materials to schools for Direct Subsidized and Direct Unsubsidized loan borrowers. These materials are provided upon request and are available prior to borrowers' first disbursements.

The LOC and the Loan Servicing Center provide support to assist schools with exit counseling. Schools may receive borrower-specific exit counseling packages from the Loan Servicing Center if schools make arrangements via the LOC.

- The school notifies the LOC that it would like to receive exit counseling packages for its graduating borrowers. The school must also specify its desired time of receipt (i.e., 30, 60 or 90 days prior to graduation).
- The LOC then monitors students' completion/graduation date and notifies the students' Servicing Center when exit counseling packages should be prepared.
- The Servicing Center prepares the exit counseling packages and forwards them to schools within the period specified by the school.

Once your school has notified the LOC that it would like to receive the exit counseling packages, your school will continue to receive them for all graduating Direct Loan borrowers until your school contacts the LOC and requests that the packages no longer be mailed.

Loan Counseling Resources

Although ED provides materials to assist Direct Loan schools in loan counseling activities, participating schools are not required to use these materials and may develop their own. ED's loan counseling materials come in paper, video, and electronic formats. By encouraging informed borrowing, these materials ultimately support the success of the Direct Loan Program.

Paper Loan Counseling Materials

The following types of materials are included in ED's Entrance Counseling Brochure:

- Budgeting information, including a budget planning worksheet
- Direct Loan facts
- Sample entrance interview quiz
- Loan history worksheet
- Borrower's Rights and Responsibilities summary checklist
- Common loan terms

The exit counseling materials include:

- Exit counseling checklist
- Summary of deferment and forbearance provisions
- Sample monthly repayment table

Loan Counseling Videotapes

The entrance counseling videotape was developed by a contractor for ED. It is a 15-minute, high-quality color video, similar to those currently provided by FFEL Program lenders.

Electronic Materials

Beginning in 1999, ED will offer entrance and exit counseling materials electronically through the World Wide Web. Borrowers will be able to meet their counseling requirements by accessing the web site and reviewing and completing the information. A sample outline of the material is presented below.

The Entrance Guide will include information on:

- Most common terms
- Discouraging unnecessary borrowing
- Rights and responsibilities
- Repayment options
- Requirement to pay and consequences of default

There will be a short quiz at the end and the borrower must score 100 percent to pass. (If they do not pass the quiz, the next page will show which questions were missed with the appropriate answer and they can retake the test.)

The Exit Counseling Guide will include:

- Entering Repayment
- Interest Rates
- Selection of Repayment Plan
- Making Payments and Prepayment
- Monthly Due Date Selection
- Consolidation
- Deferment and Forbearance Options
- Loan Discharge
- Servicing Address and Telephone Numbers
- Consequences of Default
- Exit Counseling Quiz
- Rights and Responsibilities.

Certifying Borrower Enrollment Status

Since the passage of the Higher Education Act of 1965, schools have been required to confirm and report the enrollment status of attending students who receive federal loans. This reporting process is called the Student Status Confirmation Report (SSCR). Because a student's enrollment status determines his or her deferment privileges and grace periods, as well as the government's payment of interest subsidies, SSCR is critical for effective administration of Title IV loans.

In the past, schools received a roster from each guaranty agency for that agency's borrowers who were enrolled at that school. Since each roster had a separate processing schedule and format, automating the process was difficult.

The implementation of the National Student Loan Data System (NSLDS) in 1994, which tracks and monitors all student loan borrowers and grant overpayments, brought centralized and automated enrollment verification to the SSCR process.

School Requirements

The accuracy of the Title IV student loan records depends heavily on the accuracy of the data the school reports. Schools or their servicers must correctly match the NSLDS records with enrollment records, confirm, or update student enrollment status and other student information and correct any errors identified by NSLDS.

To participate in the SSCR process, the school needs to fulfill the following requirements or choose a servicer who is able to:

1. Sign up for the Title IV Wide Area Network (WAN).
2. Have a contact person at the school for SSCR-related matters.
3. Match school records with the SSCR files.
4. Receive and send the SSCR files.
5. Meet an SSCR reporting schedule and prepare for regularly scheduled SSCR cycles. Schedule the SSCR reporting cycles according to your school's calendar (See Chapter 3 of the SSCR User's Guide, *The SSCR Process.*).
6. Establish Title IV WAN communication between the school's computer and NSLDS.
7. Process the SSCR Roster File that will be sent to all participants.
8. Return the updated file to NSLDS within 30 days of receipt.
9. Receive an Error Notification File and retain it as an acknowledgement if there are no errors.
10. Correct the Detail Records in the SSCR Error Notification File (if errors were identified) and return the corrected record to NSLDS within ten days of receipt.
11. Repeat the error notification and correction process until all Detail Records have been accepted.
12. Archive old SSCR records that have a status of "A" (accepted) and delete the records from your SSCR database before importing the next SSCR Roster.

(More complete information is contained in Chapter 2 of the SSCR User's Guide, *Preparing for the SSCR Process*)

Additional Information

The *SSCR User's Guide*, available from ED also contains:

- An overview of NSLDS
- A discussion of users of SSCR data
- Record layout details
- Instructions on using NSLDS on-line functions
- Problem resolution
- More detailed information on the SSCR topics which have already been briefly discussed in this training manual

For further assistance with the SSCR process or to obtain a *SSCR User Guide*, contact NSLDS Customer Service at 800/999-8219.

Discussion Questions for Chapter 10

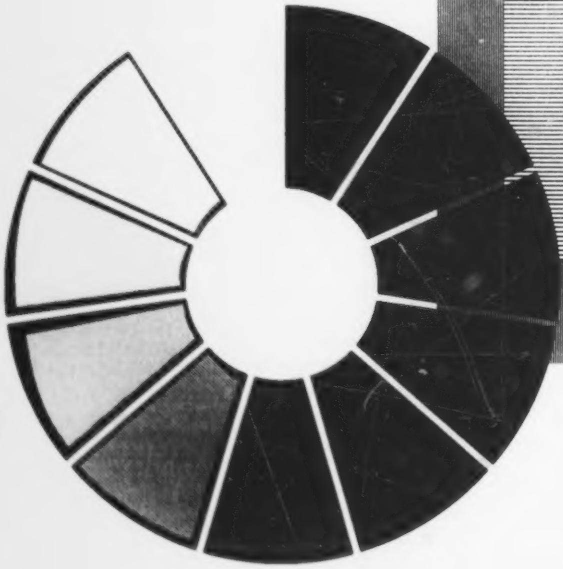
1. What is the difference between the LOC and the DLSC?

2. What are the repayment options for Direct Loan borrowers?

3. Who can apply for an in-school Direct Consolidation Loan?

4. What is the process for certifying borrower enrollment status?

Appendix A



Quality Assurance Planning Guide

U.S. Department of Education
Office of Postsecondary Education
Student Financial Assistance Programs

THE DIRECT LOAN QUALITY ASSURANCE PLANNING GUIDE: 1999-2000

Ensuring Continuous Improvement in the Delivery of Student Financial Aid

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APPENDIX 32

Information contained in this guide, including ***suggested*** management assessment worksheets, will also be provided on diskette to add flexibility in the actual use of this guide by institutions. Further, the format of the management assessment worksheets may be changed or expanded to best fit institutional needs.

INTRODUCTION

Leading organizations are finding that by incorporating quality improvement concepts into their planning and operations, managers can better respond to the needs of their customers while improving the quality of their services. Many financial aid administrators are integrating into their office operations widely recognized quality improvement practices, such as strategic planning, employee involvement, and structured problem-solving. Given the changing nature of student financial aid, these quality improvement practices can be an important means of offering better services to our primary customers—the student aid recipients.

Since 1985, many postsecondary institutions have been working in partnership with the U.S. Department of Education (ED) in testing the basic methodology of continuous quality improvement in administering the Title IV Student Financial Assistance Programs. The Institutional Quality Control Pilot Project demonstrated that quality management techniques and practices can assist institutions in achieving high quality financial aid operations and improve the accuracy of awards to students. The pilot's success has been recognized through the inclusion of the Quality Assurance Program (QAP) as part of the 1992 amendments to the Higher Education Act. Further, Congress authorized in the Direct Loan Program statute the requirement that participating institutions implement a quality assurance (QA) system. The requirement also appears in the Federal Code of Regulations at 34 CFR 685.300(b)(9).

ED has developed this *Quality Assurance Planning Guide (QA Planning Guide)* to assist Direct Loan institutions in establishing quality assurance systems within their financial aid office operations. The quality assurance system described in this document is patterned after the Quality Assurance Program, but it is more specifically focused on activities required for direct lending. Inquiries about the Direct Loan Quality Assurance System should be directed to the regional office of the Direct Loan Account Management Group that services your institution.

The QAP system is Title IV-wide in scope and provides greater management flexibility to participating institutions through regulatory waivers. Institutions wishing to learn more about the Quality Assurance Program are encouraged to contact:

Performance and Accountability Improvement Branch
Office of Postsecondary Education
U.S. Department of Education
(Attn: Quality Assurance Program)
600 Independence Avenue, S.W.
ROB-3, Room 3925
Washington, D.C. 20202

(202) 260-4788

Objectives of ED's Quality Assurance Efforts

The goal of the quality assurance system in the Direct Loan Program is to promote excellence in institutional administration of direct lending. To be effective, the steps for implementing a Direct Loan QA system take into account variations in characteristics and needs among institutions. As a result, both the interests of the federal government and institutions are served because institutions are designing and implementing resource-effective and institution-specific procedures and policies. This should result in improved institutional stewardship of federal funds and improved award accuracy.

Through self-assessment, institutions can identify any deficiencies and address them with management improvements. These actions will enhance performance by reducing or eliminating areas of vulnerability. In the process, institutions are able to:

- understand and comply with Direct Loan Program and certain other Title IV requirements, and integrate these requirements effectively into financial aid office processes and procedures;
- develop innovative management approaches tailored to institutional characteristics, and create an organizational environment supportive of continuous improvement of quality; and
- work cooperatively with ED as the institutions take on the responsibility for quality improvement at the point where funds and services are delivered.

Institutions can meet the QA requirement in the Direct Loan Program by conducting any one of the following options:

1) Completing the Direct Loan Management Assessment contained in the QA Planning Guide and implementing corrective actions; or

2) Completing the Title IV Management Assessment contained in the QA Planning Guide and implementing corrective actions; or

3) Running the Measurement Tools contained in the EDExpress Software and assessming the results in order to implement corrective actions; or

4) Utilizing the NASFAA Self Assessment Guide; or

5) Utilizing any comparable quality assurance methodology or analysis tool.

Note: Institutions participating in ED's Quality Assurance Program (QAP) and the Direct Loan Program are not required to complete the Direct Loan Management Assessment or adopt any additional self-assessment. These institutions will complete the Title IV Management Assessment worksheets prescribed by ED's QAP.

Using the Quality Assurance Planning Guide

This guide has been organized into five steps that are based on ***suggested*** key quality improvement practices as they relate to the role of the financial aid administrator. The steps focus on meeting the needs of the primary customer of the financial aid office—the student recipients of loans, grants, scholarships, and work-study funding. The steps are progressive, with each step building on the step that precedes it. A brief description of each step follows:

- **Step One—Setting the Direction** emphasizes the importance of developing an overall strategy for establishing a quality assurance system and understanding the needs and expectations of students. It entails mobilizing the support of institutional leaders and assessing the resources that will be available to conduct quality assurance activities.
- **Step Two—Involving Staff** addresses the importance of identifying the appropriate staff members within the financial aid office and in other offices on campus who should be involved in initiating and maintaining the QA system. It also emphasizes the importance of clear communication, teamwork, and recognizing contributions of staff.
- **Step Three—Assessing Operations** describes how to conduct an evaluation of office operations using an assessment instrument. It provides a method for periodically evaluating financial aid procedures against federal requirements and for identifying areas that need improvement.
- **Step Four—Taking Action** helps institutions use the results of the assessment to remedy areas of vulnerability and implement new procedures to improve financial aid office operations. It assists financial aid administrators to schedule and monitor identified improvement activities.
- **Step Five—Reviewing Progress** describes both the use of the assessment results as a baseline for continuous improvement and the recurring assessment activities institutions will perform in subsequent years. It also provides an overview of networking opportunities with other direct lending institutions. ***There is no reporting requirement to ED. Institutions will maintain documentation concerning its quality assurance system in a QA Master File at the institution.***

STEP ONE—SETTING THE DIRECTION

Implementing a quality assurance system for the Direct Loan Program presents a unique opportunity. It will allow institutions to help ensure a successful student financial aid system using approaches that are suited to individual institutional characteristics. To do this, senior managers, including the financial aid administrators, must help set the direction for their institutions to implement Direct Loans from a perspective of continuous quality improvement. Key planning considerations include:

- securing and sustaining the commitment of institutional top managers;
- engaging the participation and partnership of institutional staff;
- creating and coordinating a schedule for implementation; and
- focusing on improving services to students.

Institutions that are already involved in quality improvement programs at some level will have a head start, as will institutions whose top managers are already committed to quality assurance concepts. The goal of setting the direction is to make realistic and good faith efforts to maintain a program focused on continuous improvement that will result in the sound administration of Direct Loans and the improved stewardship of Title IV funds. Techniques that can be used in carrying out improvement goals follow.

Securing and Sustaining the Commitment of Institutional Top Managers

The sustained commitment and participation of institutional senior managers in partnership with the financial aid administrator are necessary for a successful QA system that yields continuous improvement. Early involvement will help establish an environment that is conducive to change.

Institutions that utilize quality assurance principles have found that communication is key in obtaining and maintaining support from supervisors and others who have the power to make management decisions and authorize resources. For example, memoranda, presentations, and briefings to appropriate personnel about the tasks the financial aid office and other offices must undertake to implement a quality assurance system are mechanisms to help elicit the necessary support and commitment from senior managers.

Engaging the Participation and Partnership of Institutional Staff

Financial aid administrators have always understood that the effective delivery of student aid involves other offices at their institutions, including the registrar's, admissions, and business offices. As a result, the active participation of those offices in developing and sustaining a QA system for Direct Loans is central to the success of the program.

One means of involving institutional staff members is to invite representatives of other offices to participate as an integral part of the QA team in assessing operations. Not only would their active involvement benefit financial aid office operations, it would also help to strengthen the overall coordination of student services within the institution. Because they are part of the team, staff members are more likely to be willing to assist when areas needing improvement require some modification of their offices' procedures.

Similarly, it is important to gain the involvement of staff members at all levels of the organization. The ***Department of Education's Quality Assurance Program*** (QAP) has shown that individuals on the "front lines" have many good ideas about how to improve services because they have first-hand experience with the effects of policies and procedures on students and other financial aid office customers.

Creating and Coordinating a Schedule

Establishing a realistic schedule for completing activities related to the assessment of operations and for taking action to modify areas that need improvement is basic to the success of a QA system. It provides a complete picture for the year of what tasks need to be performed and, therefore, helps everyone involved stay on track throughout the process.

Financial aid offices have many responsibilities, including those that are time sensitive. In addition, there will be new assignments with respect to implementation of the Direct Loan Program. As a result, consider linking the assessment of operations process to the financial aid office's master calendar and the master calendars of the other offices involved. This will ensure sufficient lead time to collect information and begin making improvements. Once again, communicating with key offices and individuals at the institution by providing updates on the progress of the QA effort and soliciting feedback and support along the way is very important.

Each institution has the latitude to develop its own calendar. Institutions are not required to provide reports to ED concerning the quality assurance system implemented for the Direct Loan Program. Information regarding its quality assurance system is maintained in a QA Master file at the institution and made available to ED staff during on-site reviews .

Focusing on Improving Services to Students

The primary mission of the financial aid office is to serve the needs of its students. As a result, financial aid administrators might wish to examine office procedures and continuously improve the capability of financial aid office operations to assure student satisfaction. Examples of responsive approaches to address customer needs and expectations include:

- soliciting and measuring periodic feedback from customers;
- establishing communications channels for customers so they can have easy access to the financial aid information they need;
- initiating processes and appropriate oversight to ensure that requirements are being carried out in a timely, accurate, and effective manner; and
- determining organizational measures and service standards based on knowledge about customer requirements and expectations, and (as feasible) benchmarking data resulting from a comparative analysis of other institutions.

STEP TWO—INVOLVING STAFF

Widespread participation of staff members at all levels in the organization has proven to be a successful practice at institutions utilizing quality assurance principles. Involving staff members and organizing them into various teams to address implementation and modifications as needed might take some effort at the outset, as would any transition to a different mode of administration. However, when staff members become problem solvers, they are able to strengthen the effectiveness of office operations within a dynamic financial aid environment. Opportunities for employee teamwork and training are important ways to link staff members' insights and skills to improvement efforts.

How to Use Teams

Institutions utilizing quality assurance principles have ascertained that a team approach is an important technique to use to develop the necessary staff support for implementing a quality assurance system. Employee involvement through the use of teams is effective because it accomplishes certain important objectives, such as:

- helping to coordinate quality assurance procedures within and across institutional offices;
- providing a pool of resources for information, ideas, and implementation;
- aiding in the dissemination of information about the quality assurance system, thereby increasing visibility and potential support; and
- contributing to a widespread commitment to improving quality.

Here is one example of how the team approach could be used to implement the assessment activities (Step Three) and improvement activities (Step Four) in a Direct Loan QA system.

> *The school organized a team to oversee* assessing operations, *with team members recruited from offices on which the administration of the Direct Loan Program will have an impact (for example, certainly the financial aid office, but also the business office). The team then established work groups* to accomplish the assessment *based on the function being evaluated. In this way, the Assessment process benefitted from input of staff across functions and at all levels.*
>
> *As the Assessment team completed the evaluation and identified and prioritized areas that needed attention, a set of task teams were assembled to* perform any improvement actions that may be required. *Similar to the Assessment team, the task teams involved staff members who crossed functions and levels. That is, each task team included a combination of individuals who were affected by the area designated for improvement and by individuals who were knowledgeable about that area.*

How to Make Teams Most Effective

Based on the experience of the institutions utilizing quality assurance principles and other organizations committed to continuous improvement, team members work together more effectively when they receive adequate training and recognition for their contributions.

- **Training** consists of activities that enhance teamwork, such as team building, brainstorming, and problem-solving (more information on this type of training can be obtained from ED's Performance and Accountability Improvement Branch. Just as important, training also includes providing opportunities for staff members to become more technically proficient through participation in ED training workshops, through programs offered by various associations, and through in-service training sponsored by the institutions themselves.

- **Recognition** is an important way to let staff members know that the efforts they are making to establish and maintain the excellence of the financial aid operation are appreciated. Examples of ways to recognize staff include written commendations from school presidents or deans, award ceremonies, and announcements in school newsletters or newspapers.

STEP THREE—ASSESSING OPERATIONS

The Management Assessment Worksheets tools provided in this Planning Guide assist financial aid administrators to review administrative procedures against federal requirements, identify strengths and weaknesses of office operations, and begin to remedy areas of institutional vulnerability.

Institutions may, but are not required to use either of the worksheets discussed in this section. Other assessment documents or tools such as the Measurement Tools provided in EDExpress, NASFAA's Self-Assessment Guide, or a comparable quality assurance methodology or analysis may be used.

The Direct Loan Program Management Assessment (MA) Worksheet that follows consists of a set of questions to help users evaluate their readiness to implement direct lending without being overwhelmed by the process. This worksheet permits institutions to do very basic examinations of their operations. However, it does not constitute a comprehensive examination of institutional compliance and effectiveness for the entire Title IV system of which the Direct Loan Program is a part.

Institutions participating in ED's Quality Assurance Program are not required to complete the Direct Loan Program Management Assessment (MA) Worksheet or adopt any additional self-assessment tool other than the Assessment Worksheets prescribed by ED's Quality Assurance Program.

The expanded Title IV-Wide Management Assessment Worksheet appears in the Appendix of this *QA Planning Guide*. Institutions can use the worksheet to conduct a full-scale evaluation of their adherence to federal requirements. Institutions have the option of completing either the Direct Loan or Title IV-Wide version of the MA worksheet, the Measurement Tools provided in EDExpress, NASFAA's Self-Assessment Guide, or a comparable quality assurance methodology.

Users of this *QA Planning Guide* should note that no matter which assessment tool an institution chooses to complete, if handled as a structured problem-solving activity it becomes a powerful means to serve the interests of the students, the school, the financial aid staff, and the federal government.

Instructions for Completing the Management Assessment Worksheets

Institutions should review the following Management Assessment Worksheet to ensure that key processes are in place in order to effectively integrate the Direct Loan Program. In completing the Management Assessment:

1. **Identify institutional staff members** to serve on Management Assessment team(s). Teams can be assigned at various stages of the Management Assessment process and can be grouped to address specific program areas (such as student eligibility) or functional areas (such as database management).

2. **Have team members review the Title IV provision** or procedure that is specified in the first column, "Major Functional Requirements," and determine if institutional procedures are available and if they fully address requirements. Indicate whether the step is initiated or completed. (For further information or clarification, consult cited statutory and regulatory provisions, the Title IV-Wide Management Assessment Worksheet, and/or the *Federal Student Financial Aid Handbook*.)

3. **Make a judgment about the effectiveness** of the institution's existing procedures and practices and determine areas that need improvement.

4. **Determine the priority for implementing improvement actions** based on such factors as potential institutional liability, benefits, resources, and timing. Determine whether the improvement is required immediately, or will take more time to implement.

5. **Determine which activities** should be addressed first, and list them in order of priority using any form or format convenient for the institution. Then, the institution documents the priority list in the QA Master File.

On completing the Management Assessment Worksheet, institutions will have identified to lesser or greater degrees the areas of the financial aid operation that require further improvements. Through these activities, institutions become more aware of the extent to which they are complying with federal requirements.

Once institutions have completed the Management Assessment, they can proceed to Step Four. It has been designed to help institutions take action based on their findings. Note that institutions are not required to forward the Management Assessment Worksheet or any quality documentation regarding the assessment instrument it adopts to ED. However, it must maintain a copy of assessment documentation in its QA Master Files.

A. INSTITUTIONAL PARTICIPATION

As stewards of federal funds, institutions must meet certain eligibility standards to assure that Title IV funds are delivered to students accurately and effectively. In addition to overall Title IV program requirements, senior administrators should ensure that the following standards are fully addressed in order to effectively participate in the Direct Loan Program.

Requirements	Recommended Assessment Steps	Recommended Assessment Offices	Status
Has your institution ensured that it is operating in accordance with the provisions stipulated in the signed Program Participation Agreement and Addendum? (HEA, §668.14, §685.300)	Review Direct Loan Addendum to the Program Participation Agreement	Financial Aid Director Senior Level Management	____ Completed ____ Initiated
Can your institution ensure that it awards financial aid only to students enrolled in courses meeting the requirements of an eligible program? §668.32	Review Accrediting Agency Approval of Program	Financial Aid Director Registrar	____ Completed ____ Initiated
Has the financial aid office or another entity within the institution been designated to coordinate all sources of assistance offered to students throughout your institution? §668.16	Prepare a list of all institutional offices with awarding authority	Financial Aid Director Senior Level Management	____ Completed ____ Initiated
Has your institution designated an adequate number of trained, capable personnel to administer the student aid programs? (§668.16) **Consider whether:** • **appropriate staff (e.g., fiscal officers, registrar, financial aid counselors, clerical staff, work-study students) has been trained on new procedures, software, etc.** • **new procedures are being disseminated as appropriate**	Review Staffing Levels in conjunction with functional duties of the financial aid office.	Financial Aid Director Senior Level Management	____ Completed ____ Initiated

Requirements	Recommended Assessment Steps	Recommended Assessment Offices	Status
Does you institution have a system of identifying and resolving discrepancies in SFA-related information? §668.16	Review Policies & Procedures Manual and test procedures in this area	Financial Aid Staff	_____ Completed _____ Initiated
Does you institution have an adequate system of internal checks and balances that, at a minimum, separates the function of authorizing payments and disbursing or delivering funds? §668.16	Review awards & disbursing authority	Financial Aid Office Fiscal Office	_____ Completed _____ Initiated
Does your institution have acceptable default rates? Default Management Plan?	Review default prevention measures	Financial Aid Staff	_____ Completed _____ Initiated
Does your institution meet financial responsibility requirements? §668.15, §668.171-175,	Review areas of financial responsibility	Financial Aid Director Fiscal Officer Senior Level Management	_____ Completed _____ Initiated
Does your institution meet administrative capability requirements? §668.16	Review areas administrative capability	Financial Aid Staff Fiscal Office Staff Registrar Office Staff	_____ Completed _____ Initiated
Does your institution participate in all electronic processes that are required by the Department, if the processes are provided at no substantial charge to the institution? November 29, 1996 regulations; Project EASI initiative.	Review 11/29/96 regulations for compliance	Financial Aid Director Computer Specialist Senior Level Management	_____ Completed _____ Initiated

Requirements	Recommended Assessment Steps	Recommended Assessment Offices	Status
Does your institution have one definition of payment period that is applicable to all SFA Programs, except FWS? November 29, 1996 regulations; SFAH pgs 3-39 thru 3-44; Project EASI initiative	Review applicable regulation citation	Financial Aid Director Fiscal Officer	_____ Completed _____ Initiated
Does every eligible program, including graduate programs, have a defined academic year that contains a minimum of 30 weeks of instructional time? §668.8	Review eligible programs against academic year definition	Financial Aid Director Registrar	_____ Completed _____ Initiated
Does your institution contract only with eligible third-party servicers as defined by regulatory criteria ? § 668.25	Review third party servicer contracts against regulatory criteria	Financial Aid Director Senior Level Management Interested Staff	_____ Completed _____ Initiated
Does your institution notify ED if it enters into a new contract with a third-party servicers or significantly modifies a contract with an existing third-party servicer, or a third-party servicer ceases to provide contracted services, goes out of business or files for bankruptcy? § 668.25	Review notification requirements	Financial Aid Director Senior Level Management Interested Staff	_____ Completed _____ Initiated

B. FISCAL MANAGEMENT

To effectively transmit funds from the federal government to Direct Loan recipients, institutions must have sound financial systems and procedures in place. By reviewing the institution's accounting practices against the following requirements, financial aid and fiscal administrators will help to ensure that key processes are in place to enable the timely and accountable management of Direct Loan Program funds.

Are bank accounts into which ED transfers funds or the school deposits SFA funds, maintained in accordance with 668.163?	Review bank notification regarding account identification	Fiscal Officer Financial Aid Director	____ Completed ____ Initiated
Does the institution remit to ED any interest earned on Direct Loan, Pell Grant, FSEOG or FWS program funds that exceeds $250 per year? Or, does the institution meet one of the exceptions to interest-bearing account or investment account requirement? §668.163	Review interest earnings against 668.162 exceptions	Fiscal Officer Financial Aid Director	____ Completed ____ Initiated
Does your institution have standard procedures to ensure that it accounts accurately for the receipt and disbursement of all aid funds? §668.161, §668.163(d), §668.165	Review fiscal procedures	Fiscal Officer Financial Aid Director	____ Completed ____ Initiated
Does the institution maintain its financial records in accordance with recordkeeping requirements in 668.24?	Review fiscal procedures	Fiscal Office Staff Financial Aid Director	____ Completed ____ Initiated
Does your institution ensure that it only draws down funds to be disbursed within the time frame prescribed by the system you are using, e.g. advance payment or just-in-time payment methods? §668.162	Review drawdown determination procedures	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated

Does your institution monitor authorization amounts and ensure that cash draws reflect the amount the institution needs immediately for disbursements? §668.162	Review fiscal procedures	Fiscal Office Staff Financial Aid Staff	_____ Completed _____ Initiated
Does the institution disburse Title IV funds on a payment period basis? §668.164	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	_____ Completed _____ Initiated
In addition to crediting a student's accounts, does the institution disburse SFA Program funds "directly" by one of the four methods outlined in 668.164?	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	_____ Completed _____ Initiated
If the institution has obtained voluntary authorization from the student or parent to hold excess funds (credit balances, does the institution maintain, at all times, cash in its bank account at least equal to the amount that it holds for students? §668.165	Review disbursement procedures	Fiscal Office Staff	_____ Completed _____ Initiated
If a student or parent borrower rescinds authorization to hold excess funds, does the institution pay these funds within specified time frames?	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	_____ Completed _____ Initiated
Does the institution follow "early" and "late" disbursement rules contained in §668.164?	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	_____ Completed _____ Initiated
Does the institution follow "excess cash" provisions as outlined in § 668.166?	Review procedures for excess cash determination and return of funds	Fiscal Office Staff Financial Aid Staff	_____ Completed _____ Initiated

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Does the institution provide exit counseling for Direct Loan borrowers? §668.304 (Experimental Sites Exemption may apply if institution is participating in Ex Sites)	Review reconciliation procedures and DL reconciliation reports	Staff Assigned to Direct Loan Reconciliation activity	_____ Completed _____ Initiated
Does the institution's treatment of excess loan-proceeds comply with §685.303?	Review Exit Counseling Procedures Pull random sample of 10 withdrawing/graduating students with Direct loans	Staff Responsible for this activity	_____ Completed _____ Initiated
Does the institution's treatment of excess loan proceeds comply with §685.303?	Review procedures for return of excess Direct Loan proceeds	Fiscal Office Staff Financial Aid Staff	_____ Completed _____ Initiated

C. RECIPIENT ELIGIBILITY

Institutions are charged by the federal government to ensure that Direct Loan applicants meet all of the required provisions to be considered for and to receive student financial aid. Reviewing the following areas will assist institutional administrators to determine if their institutional procedures are meeting general eligibility requirements for student financial aid recipients.

Does your institution have a system to verify that financial aid recipients meet all eligibility requirements in accordance with §668.32-39 of the Student Assistance General Provisions?	Review general student eligibility criteria	Financial Aid Office Staff Fiscal Office Staff Registrar Office Staff	_____ Completed _____ Initiated
Does your institution ensure that the student who applies for a Direct Subsidized or Unsubsidized Loan is enrolled at least half-time as a regular student in an eligible program, and that Direct PLUS Loans are originated only for parents of such students? §685.200	Review procedures in view of applicable regulation	Financial Aid Office Staff Registrar Office Staff	_____ Completed _____ Initiated

Does the institution ensure that it does not originate Direct Loans for a students from both the Direct Loan and FFEL programs for attendance at the school for the same enrollment period? §685.100	Review procedures in view of applicable regulation	Financial Aid Staff Fiscal Office Staff	____ Completed ____ Initiated
Does the institution ensure that Direct Loans borrowers are not enrolled in a medical internship or residency program?	Review procedures in view of applicable regulation	Financial Aid Staff	____ Completed ____ Initiated
Does the institution ensure that a Direct Loan borrowers who have canceled a previous Direct Loan due to total and permanent disability has reestablished eligibility for a new loan in accordance with regulatory requirements? §685.200	Review procedures in view of applicable regulation	Financial Aid Staff	____ Completed ____ Initiated
Does the institution ensure that a Direct Loan borrowers who is in default, who have obtained federal student loans in excess of annual or aggregate loan limits, or who have received SFA overpayments has reestablished eligibility for a new loan in accordance with regulatory requirements? §668.32	Review procedures in view of applicable regulation	Financial Aid Staff	____ Completed ____ Initiated
For Direct PLUS loan applicants, has the institution established that the parent borrower is a student's biological or adoptive parent, or legal guardian? Or the spouse of a parent who remarries, if the spouse's income and assets would have been included on the student's FAFSA? § 685.200	Review procedures in view of applicable regulation	Financial Aid Staff	____ Completed ____ Initiated
For Direct PLUS loan applicants, does the institution ensure that the parent borrower meet eligibility criteria outlined in 685. 200?	Review procedures in view of applicable regulation	Financial Aid Staff	____ Completed ____ Initiated

Does the institution ensure that it does not permit the Direct PLUS Loan applicant to borrow a Direct PLUS Loan and a FFEL PLUS loan for the same student for the se enrollment period at the school? §685.200(b)(i)	Review procedures in view of applicable regulation	Financial Aid Staff	____ Completed ____ Initiated
Does the institution ensure that Direct PLUS Loans are not given to parents who have adverse credit history unless the parent obtains an endorser with no adverse credit history or demonstrates extenuating circumstances? §685.200	Review procedures in view of applicable regulation	Financial Aid Staff	____ Completed ____ Initiated
Does your institution have a system for collecting all required student certifications and transcripts for students who previously attended another postsecondary institution? (§668.19, §668.32-33)	Review procedures in view of applicable FAT regulation and NSLDS	Financial Aid Staff Registrar Office Staff	____ Completed ____ Initiated
Is your institution in compliance with all applicable verification regulations found in §668.53 - 668.60? (If you are a Quality Assurance Program (QAP) institution, see the QAP Workbook for exemptions).	Review procedures in view of applicable regulation Test a sample of files	Financial Aid Staff	____ Completed ____ Initiated
Has your institution established proper budgets/cost of attendance (COA) to use in determining students' need for federal aid programs? (HEA 1992)	Review procedures in view of applicable statute or SFA Handbook guidance	Financial Aid Staff	____ Completed ____ Initiated
Does your institution collect and maintain the data relevant to each student's application for federal aid (i.e., the ISIR)? § 668.24	Review procedures in view of SFA Handbook & ISIR Guide guidance	Financial Aid Staff	____ Completed ____ Initiated

D. AWARD CALCULATION AND DISBURSEMENT

Financial aid administrators must be mindful of specific federal provisions that set parameters on the type, amount, timing, and sequence of financial aid awards to meet the financial need of Title IV recipients. The following are program-specific criteria that fiscal and financial aid administrators should review to ensure that their institutional procedures are aligned with Direct Loan Program parameters.

Does the institution determine Federal Pell Grant eligibility prior to award Direct Subsidized and Direct Unsubsidized Loans? § 685.200	Review awarding procedures	Financial Aid Staff	_____ Completed _____ Initiated
Does the institution determine Direct Subsidized eligibility prior to awarding a Direct Unsubsidized Loan? SFAH, Chapter 11	Review awarding procedures	Financial Aid Staff	_____ Completed _____ Initiated
Does the institution calculate Direct Subsidized Loan eligibility in accordance with the statutory formula? SFAH, Chapter 11	Review awarding procedures	Financial Aid Staff	_____ Completed _____ Initiated
Does the institution calculate need for Direct Unsubsidized and Direct PLUS Loan with the statutory formula? SFAH, Chapter 11	Review awarding procedures	Financial Aid Staff	_____ Completed _____ Initiated
Does the institution ensure that any information it provides ED in connection with loan origination is complete and accurate in accordance with requirements contained in §685.301?	Review loan origination procedures	Financial Aid Staff	_____ Completed _____ Initiated
Does the institution conduct initial counseling prior to mg the first disbursement? §685.304	Review loan counseling procedures	Staff responsible for loan counseling	_____ Completed _____ Initiated

Prior to disbursing SFA Program funds for any award year, does the institution notify a student of the amount of SFA Program funds the student and his or her can expect to received for each SFA Program and how the funds will be disbursed? §668.165	Review award notification procedures	Financial Aid Staff	____ Completed ____ Initiated
Does the institution obtain signed and completed Direct Loan promissory notes from Direct Loan borrowers prior to disbursing the first disbursement of a Direct Loan? §685.201, §685.303	Review promissory note tracking procedures	Financial Aid Staff	____ Completed ____ Initiated
Does the institution delay disbursement for first-year, first-time students who are subject to the 30 day delay provision? §668.164	Review disbursement procedures	Financial Aid Staff Fiscal Office Staff	____ Completed ____ Initiated
For the Direct Loan and FFEL Programs, does the notice indicate which funds are from a subsidized loan and which are from an unsubsidized loan? November 29, 1996 regulations	Review award notification procedures	Financial Aid Staff	____ Completed ____ Initiated
Does the institution notify a borrower, who will not be paid directly by check, of his right to cancel the loan, at or close to the time the funds are actually disbursed and the debt incurred? §668.165	Review award notification procedures	Financial Aid Staff	____ Completed ____ Initiated
If the borrower wishes to cancel the loan, does the institution honor the request if it is received within the 14 day cancellation window? §668.165	Review loan cancellation procedures	Financial Aid Staff	____ Completed ____ Initiated

Does the institution notify a borrower when a loan disbursement occurs and give the borrower the opportunity to replace credited loan proceeds with other funds? November 29, 1996 regulations	Review disbursement & loan notification procedures	Financial Aid Staff	____ Completed ____ Initiated
Does the institution notify the borrower in writing or electronically whenever it credits the student's account with Direct Loan, FFEL, or Perkins Loan program funds? Within specified timeframes? §668.165	Review disbursement & loan notification procedures	Financial Aid Staff	____ Completed ____ Initiated
Does the institution obtain authorization from a student (or parent borrower) before • disbursing SFA funds by EFT to a bank account designated by the student? • using SFA funds to pay for allowable charges other than tuition, fees, room & board? • holding excess SFA funds (credit balances)? • applying SFA Program funds to prior-year charges? §668.165	Review disbursement & loan notification procedures	Financial Aid Staff	____ Completed ____ Initiated
Unless a student is eligible to receive a late disbursement, does the institution disburse SFA Programs funds to a student or parent for a payment period only if the student is enrolled for classes for the payment periods eligible to receive those funds? §668.164	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated
If the institution disburses Direct Loans to student accounts, does the institution first use Direct Loan funds to pay for outstanding allowable charges? 685.165 SFAH 3-64 & 3-65	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated

Does the institution pay any credit balance that was created by SFA Program funds to the student within specified timeframes? §668.165	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated
Does the institution obtain voluntary authorization from the student or parent to hold excess funds (credit balances)? §668.165	Review borrower authorization procedures	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated
If so, does the institution identify the student or parent and the amount of funds the school holds for the student/parent in a subsidiary ledger account designed for that purpose? §668.165	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated
If so, does the institution maintain, at all times, cash in its bank account at least equal to the amount that it holds for students? §668.165	Review cash management policies	Fiscal Officer Financial Aid Director	____ Completed ____ Initiated
Notwithstanding any authorization obtained from a student or parent to hold excess funds, does the institution pay excess funds in accordance with timeframes specified in 668.164?	Review disbursement procedures	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated
Does the institution follow requirements in §668.164 regarding use of SFA Program funds to pay prior year charges?	Review applicable regulation citation to determine compliance	Fiscal Office Staff Financial Aid Staff	____ Completed ____ Initiated

E. REPORTING AND RECONCILIATION

As with other business operations, institutions must maintain record systems that are auditable and that allow for preparation of appropriate reports. Also, procedures must be in place to allow for reconciling accounts and adjustments made to awards due to changes in areas such as the student's enrollment status or the family's financial circumstances. To ensure that the reconciliation of institutional and individual financial aid accounts is being handled appropriately, the following baseline criteria should be carefully reviewed.

Does your institution have standard procedures for adjusting disbursements as a result of verifying data, resolving conflicts, changes in student status, or receipt of additional aid? §668.16, §668.59	Review awarding procedures	Financial Aid Staff	_____ Completed _____ Initiated
Does your institution properly document changes in students' dependency status or other changes involving professional judgment on a case-by-case basis?	Review awarding procedures	Financial Aid Staff	_____ Completed _____ Initiated
Is your institution's refund formula fair and equitable, allowing for the most beneficial treatment for the student in accordance with §668.22?	Review refund policies and procedures	Financial Aid Staff and/or Fiscal Office Staff	_____ Completed _____ Initiated
Are refund determinations made in accordance with regulatory requirements? §668.22	Review refund policies and procedures	Financial Aid Staff and/or Fiscal Office Staff	_____ Completed _____ Initiated

Does your institution have a system to ensure that refunds are made within required time frames and credited to the appropriate Title IV accounts in accordance with the refund distribution order as specified in §668.22? **Consider:** • **procedures to ensure proper/timely returns to ED/Federal Reserve Bank of undisbursed funds drawn down** • **procedures for processing loan and disbursement cancellations** • **procedures for calculating and reconciling refund amounts**	Review refund policies and procedures	Financial Aid Staff and/or Fiscal Office Staff	____ Completed ____ Initiated
Does your institution reconcile Title IV disbursement records (general ledger/journal of expenditures) to other data sources (e.g., authorization levels, EDPMS 272 Reports (GAPS), FISAP, and Student Payment Summary Reports) and maintain verifiable, auditable data in support of these records? §685.309	Review reconciliation procedures	Financial Aid Staff and/or Fiscal Office Staff	____ Completed ____ Initiated
Does the institution initiate data matching (reconciliation) with the Loan Origination Center system within specified time frames? Direct Loan School Guide	Review Direct Loan Reconciliation procedures and reports	Financial Aid Staff and/or Fiscal Office Staff	____ Completed ____ Initiated
Does the institution process Direct Loan cancellations and adjustment in accordance with established criteria? Direct Loan School Guide	Review Direct Loan cancellation and adjustment procedures	Financial Aid Staff and/or Fiscal Office Staff	____ Completed ____ Initiated

Does your institution verify that accurate information on student status (SSCR) is reported to ED for Direct Loan borrowers? §685.309; Direct Loan Guide **Consider:** - **procedures for timely, accurate review of Student Status Confirmation Report and updating enrollment information with servicer**	Review Direct Loan SSCR procedures	Financial Aid Staff and/or Fiscal Office Staff	_____ Completed _____ Initiated
Has the institution identified the appropriate level and type of automation to best meet its needs in administering the Direct Loan Program? **Consider:** - **use of ED-supplied software or other software** - **entering data through EDExpress or other system** - **in-house production or servicer production of applications and promissory notes** - **entering PLUS application data by institution or other method** - **Student Status Confirmation Reports generated electronically**	Review automation requirements	Financial Aid Director Fiscal Officer Computer Specialist Senior Level Management	_____ Completed _____ Initiated

Has your institution put in place disbursement procedures for Direct Loans as required by §455(j) of the HEA, as amended? **Consider:** • **procedures to ensure timely transmission of the loan origination record to the servicer** • **procedures to resolve rejects that do not pass servicer edits**	Review Direct Loan requirements in DL School Guide	Financial Aid Staff and/or Fiscal Office Staff	_____ Completed _____ Initiated
Does your institution have a procedure to ensure that Direct Loan promissory notes are properly safeguarded against the risk of loss or destruction prior to their transmission to the Direct Loan servicer? §685.309, §685.301 **Consider:** • **procedures to ensure timely transmission of hard copy promissory notes to the ED servicer** • **tracking procedures (if/when returned from borrower; date sent; servicer confirmation)**	Review Direct Loan requirements in DL School Guide	Financial Aid Staff and/or Fiscal Office Staff	_____ Completed _____ Initiated

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STEP FOUR—TAKING ACTION

In the process of completing Assessment activities, institutions will identify those areas of their operations that require further improvements. Plans are then be developed for implementing new or enhanced procedures and improved levels of compliance to legislative requirements. The Management Action Plan Worksheet that follows can assist institutions to plan these activities and monitor progress. Each institution may establish its own methods for creating and carrying out changes that improve existing systems by taking into account available resources and office capabilities.

Instructions for Completing the Management Action Plan

During Step Three's Management Assessment, an institution decides which areas to target for improvement. Whether an institution decides to use the Management Action Plan Worksheet or another approach, the following steps may be taken in developing process improvements.

1. **Identify institutional staff members to serve on Management Action Planning task teams**. The composition of each task team should reflect the area(s) designated for near-term improvement to which the team is assigned.

2. **Describe the area to be improved** at the top of the Worksheet where it states "Description of Area Requiring Improvement," and include the corresponding question from the Management Assessment Worksheet next to "MA Ref."

3. **Identify the actions necessary to promote improvement** and list these actions in the first column under "Action Item."

4. **Summarize the resources necessary for each Action Item** in the second column, "Resources Needed," by listing resources (such as computer hardware/software and additional personnel) necessary to successfully implement a specific action item.

5. **Decide who would be the best individuals to assure** that each action item is carried out and what the time frame should be. Record the information in the first column under "Proposed" in the "Person(s) Responsible" column.

6. **Decide when implementation of each action item** is expected to begin and end in the columns under "Proposed" entitled "Start Date" and "End Date."

7. **Develop a monitoring process** and document it at the bottom of the worksheet next to "Description of Monitoring Procedures." For example, the task team as a whole could be responsible for overseeing that progress is being made with each action item, or individual members could be assigned to specific action items by staying in contact with the people who have direct responsibility for implementing the changes.

8. **Record changes to the plan as part of the monitoring process** by noting in the appropriate columns under "Actual" modifications to action items, person(s) responsible, and start and end dates.

As institutions plan and implement improvement activities, they file their Management Action Plan Worksheet(s)—or the materials they developed to document the actions they are taking—in their QA Master File. Note that institutions are not required to forward these materials to ED.

MANAGEMENT ACTION PLAN WORKSHEET

Description of Area Requiring Improvement:

MA Ref:

Action Item	Resources Needed	Proposed			Actual		
		Person(s) Responsible	Start Date	End Date	Person(s) Responsible	Start Date	End Date

STEP 5—REVIEWING PROGRESS

Any effective quality assurance system must be viewed as an ongoing, continuous process. Steps One through Four have assisted institutions with completing their assessments and improvements. In subsequent years, institutions will perform follow-up assessments that examine the effectiveness of their improvement initiatives and determine whether their administrative procedures remain effective in ensuring quality. These assessments will result in further initiatives to improve management systems.

The activities presented in this step have been developed to assist institutions to learn from the results of their initial self-assessment and problem-solving activities. These activities will also provide a baseline for more extensive measurement and analytical activities in subsequent stages of the QA initiative. They involve:

- continuous assessment and improvement activities;
- documenting progress in the QA Master File; and
- networking within the financial aid community.

Continuous Assessment and Improvement Activities

With the changing nature of regulatory issues, institutional characteristics, and technological capabilities, institutional officials continually assess and reassess office operations to help them prepare for future challenges. It is important that institutions participating in the Direct Loan Program regularly perform a management assessment and develop management improvement initiatives designed to correct problems, enhance operations, and strengthen management systems. At a minimum, institutions review their procedures for administering the Direct Loan Program, focusing particular attention on those areas in which changes were introduced by the institution or in which federal requirements have changed.

Institutions are encouraged, however, to expand over time the scope of the management assessments they perform. The Appendix offers a framework by providing a management assessment that is Title IV-wide in scope.

Completing the entire assessment as described in the Appendix in one year might not be feasible for all institutions. For this reason, the assessment is divided by functional areas. Institutional administrators may select those areas of the assessment they believe are most relevant for their institutions. Completing the entire Appendix will help determine whether an institution is in compliance with key requirements of the federal student financial assistance programs.

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Networking within the Financial Aid Community

A major focus of the QA initiative is to involve all Direct Loan institutions—working together as partners with ED—to continually enhance the delivery of the student financial aid programs. The QA networking approach has been designed to further this goal by providing a vehicle for Direct Loan institutions to share information on effective financial aid office management practices and to share recommendations with ED. Communicating with peers is an important element of the QA system. Actively sharing successful practices with colleagues can help all financial aid administrators work more effectively.

Although networking is at the institution's option, its purpose is to help Direct Loan institutions develop a common awareness of quality improvement principles and to learn about effective ways to administer student aid. To expedite networking, information will be disseminated to all participating Direct Loan institutions through the Information for Financial Aid Professionals (IFAP) web site and the Direct Loan web site at www.ed.gov.DirectLoan.

The following are an initial set of activities planned for the Direct Loan QA networking process. ED will provide leadership and technical assistance in getting the networking process started; however, institutions are encouraged to eventually establish "partnership" forums, task teams, and steering committees to work alongside ED in improving the administration of student financial aid.

Sharing Successful Office Practices

On an ongoing basis, or at least once a year, institutions should submit to the network a successful activity describing a significant achievement in improving the institution's delivery of financial aid that came about as a result of implementing a quality assurance system. Participating Direct Loan institutions are encouraged to review their office operations and determine which areas are successful in terms of office practices, work processes, and management approaches. Some examples of effective office practices might include:

Office Coordination

- Establishing a comprehensive master calendar
- Interacting regularly with the admissions, registrar's, and business offices
- Integrating computer systems with financial aid operations
- Packaging and disbursing financial aid
- Monitoring work-study earnings

Correspondence Control

- Maintaining updated office procedures/manuals
- Developing useful office forms and standard correspondence
- Collecting necessary data and documentation
- Completing financial aid transcripts
- Maintaining effective filing, retrieval, and storing systems

Student Services

- Providing up-to-date student consumer information and financial aid handbooks
- Conducting responsive appointment scheduling and counseling services
- Establishing responsive phone systems
- Providing full one-stop services to aid recipients
- Conducting effective entrance and exit loan counseling

Submissions should be provided as an abstract with a narrative of the activities and benefits achieved. Please identify a point of contact in case further information or clarification is needed. A suggested format follows:

1. Identify a successful practice or activity that is being conducted at your institution.

2. Briefly describe the nature of your financial aid office operations and how this activity has been successfully implemented at your institution.

3. Explain the major benefits achieved and lessons learned in implementing this activity.

Recommendations for ED Quality Improvements

ED is also interested in making improvements to the Direct Loan Program. As a result, at the institution's option, financial aid administrators and quality assurance team members are encouraged to convey their ideas or suggestions for improvements in ED policy or operations. This can be done either in writing or through the planned electronic mail bulletin board. This information will be shared with appropriate ED offices and contractors for review with the goal of improving overall delivery processes. A suggested format for recommendations follows:

1. Provide both a brief description of an existing ED activity that you feel should be improved and your recommendation for improvement.

2. Describe an existing ED Title IV regulatory requirement that you feel should be modified or eliminated—consistent with legislative intent—and how this would improve student financial aid delivery at institutions.

Direct Loan institutions can play vital roles in establishing effective practices that promote continuous improvement in administering financial aid operations and providing services to students. Through networking opportunities, institutional officials can share their ideas with colleagues on successful office practices that are responsive to student circumstances, problems, and needs without adding burden to financial aid staff. As the Direct Loan Program expands and evolves, it is hoped that high-quality financial aid practices will be adapted to all Title IV programs and shared among institutions nationwide.

APPENDIX
TO THE DIRECT LOAN
QUALITY ASSURANCE PLANNING GUIDE

TITLE IV-WIDE MANAGEMENT ASSESSMENT
TECHNICAL ASSISTANCE DOCUMENT

TITLE IV-WIDE MANAGEMENT ASSESSMENT

Even though institutions must comply with a common body of Title IV requirements, administrative procedures can vary widely depending on an institution's size, student population, resources, funding policies, and facilities. As a result, financial aid administrators have traditionally developed procedures that take both federal requirements and their institution's character into account. Recognizing this need for institutional discretion, ED has developed a comprehensive Management Assessment document for the use of postsecondary institutions that summarizes key technical provisions of the Title IV Programs.

The Management Assessment has been designed to help financial aid administrators evaluate the full scope of their delivery systems and office procedures in the context of federal student aid requirements. It has been developed in conjunction with members of the financial aid community and has originated from a similar self-assessment instrument used by institutions participating in the Quality Assurance Program. Financial aid administrators who have followed this method have expressed strong support for the structured approach provided in the Management Assessment. They generally agree that using the Management Assessment helps them comply with Title IV regulations and develop improved operations tailored to the capabilities of their institutions and the needs of the students they serve.

The federal provisions within the Management Assessment are presented in five broad categories that highlight the major functional processes of the student financial aid delivery system between ED and institutions. Direct Loan institutions are encouraged, but not required, to complete this assessment to strengthen their management practices and administrative procedures as they deem necessary. Those institutions electing not to perform the Title IV-Wide Management Assessment must, as an alternative, complete the abbreviated Direct Loan Management Assessment Worksheet in Step Three of the *QA Planning Guide.*

Institutional Participation: As stewards of federal funds, institutions must meet certain eligibility standards to assure that Title IV funds are delivered to students accurately and effectively.

↓

Fiscal Management: To effectively transmit funds from the federal government to Title IV recipients, institutions must have sound financial systems and procedures in place.

↓

Recipient Eligibility: Institutions are charged by the federal government to ensure that Title IV applicants meet all the required provisions to be considered for and to receive student financial aid.

↓

Award Calculation and Disbursement: Financial aid administrators must be mindful of specific federal provisions that set parameters on the type, amount, timing, and sequence of financial aid awards to meet the financial need of Title IV recipients.

↓

Reporting and Reconciliation: As with other business operations, institutions must maintain record systems that are auditable, that allow for preparation of appropriate reports, and that allow for reconciling accounts and adjustments made to financial aid awards.

TITLE IV-WIDE
MANAGEMENT ASSESSMENT WORKSHEET

A. INSTITUTIONAL PARTICIPATION

Major Functional Requirements	Inventory of Existing Procedures			Priority for Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Determining Institutional and Program Eligibility 1. Is your institution currently accredited by a nationally recognized accrediting agency that is approved by the Secretary of Education, and are all the programs for which federal aid is offered included in that accreditation?					
2. Is your institution currently licensed to operate within a state in accordance with §600.4 - 600.7, and are all of the programs for which federal aid is offered included in that approval?					
3. Has your institution ensured that it is operating in accordance with the provisions stipulated in the signed Program Participation Agreement? (HEA and §668.12)					
4. Can your institution ensure that it awards financial aid only to students enrolled in courses meeting the requirements of an eligible program?					
5. Does your institution confirm, on an annual basis, that the duration of your academic year meets the minimum requirements? (HEA 1992)					
6. If your institution does not offer a 2-year associate or 4-year bachelor degree program, have you determined that no more than 50 percent of your students were admitted under the Ability to Benefit (ATB) provisions? (HEA 1992 §484(d))					

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A. **INSTITUTIONAL PARTICIPATION (continued)**

Major Functional Requirements	Inventory of Existing Procedures			Priority for Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Determining Institutional and Program Eligibility (continued) 7. For all students in a given course of study, does your institution use the same academic year definition, and does each such definition incorporate at least 30 weeks? (HEA 1992)					
8. If your institution offers educational programs at locations other than your main campus, does it have written confirmation from ED's Institutional Participation Division as evidence of approval for Title IV funding? (§600.21)					
9. If your institution offers courses by correspondence, has it determined that no more than 50 percent of its courses are offered by correspondence or that no more than 50 percent of its students are enrolled in correspondence courses?					
10. If your institution offers programs to incarcerated students, has it determined that no more than 25 percent of its enrolled students are incarcerated or has it received a waiver of this prohibition from the Secretary of Education? (HEA 1992)					
Coordinating Major Financial Aid Responsibilities 11. Has the financial aid office or another entity within the institution been designated to coordinate all sources of assistance offered to students throughout your institution?					
12. Has your institution designated an adequate number of trained, capable personnel to administer the student financial aid programs? (§668.14)					

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A. **INSTITUTIONAL PARTICIPATION (continued)**

Major Functional Requirements	Inventory of Existing Procedures			Priority for Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Coordinating Major Financial Aid Responsibilities (continued) 13. Does your institution have a system to coordinate all information relating to students' eligibility to participate in the Title IV programs?					
14. Does your institution have valid consortium agreements that contain all required provisions for all applicable students? (§600.9)					
15. Does your institution monitor the default rates under the Perkins and Part B Loan programs and initiate action if those rates approach 20 percent? (§668.15)					
16. Does your institution have a plan for default management, and is it being implemented in all respects?					
17. Is there an office responsible for calculating and monitoring the institution's student withdrawal rate and initiating appropriate action if that rate approaches 33 percent? (§668.15)					
18. Has the institution identified all affected institutional components and assigned responsibility for implementing, prior to and during academic year 1996-97, a quality assurance system that will satisfy ED requirements? (§454(a)(5) HEA)					
Disclosing Information on Title IV Participation 19. Does your institution publish all of the consumer information required by §668.43 and 668.44?					

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A. **INSTITUTIONAL PARTICIPATION (continued)**

Major Functional Requirements	Inventory of Existing Procedures			Priority for Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Disclosing Information on Title IV Participation (continued) 20. Does your institution routinely make available the written consumer information and disclosures to all current and prospective students? (§668.41 and 668.42)					
21. Are the Satisfactory Academic Progress (SAP) standards and procedures by which a student who has failed to maintain progress and who may re-establish eligibility for Title IV assistance published and readily available to all students? (§668.14)					
22. Does your institution have a standard of Satisfactory Academic Progress (SAP) that contains all of the elements required under §668.14, can the SAP standard be easily applied, and is it clear enough to be understood by your staff and students?					

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B. FISCAL MANAGEMENT

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Establishing Accounting Systems 1. Does your institution have a system to ensure that federal funds are used only for program purposes?					
2. Has the institution reviewed its debtor position to determine if it meets all of the standards for financial capability (§668.13) and is in compliance with §453(c)(2)(G) HEA?					
3. Are separate offices and individuals responsible for awarding aid and disbursing funds?					
4. Does your institution have standard procedures to ensure that it accounts accurately for the receipt and disbursement of all aid funds?					
5. Does your institution ensure that it only draws down funds to be disbursed within the time frame prescribed by the system you are using?					
6. Does your system allow you to identify by program the amount of federal cash at your institution at any given time?					
7. Can your institution ensure that it does not charge fees of any kind to promote, originate, or administer federal aid programs? (§454(a)(6) HEA)					
Coordinating Program-Specific Funds 8. Does your institution monitor authorization amounts and ensure that cash draws and expenditures are within those authorizations?					

B. FISCAL MANAGEMENT (continued)

Coordinating Program-Specific Funds (continued) 9. Are federal funds deposited into accounts that are properly established and identified for this purpose?					
10. Does your institution properly calculate its Administrative Cost Allowance under the campus-based programs?					
11. Does your institution have a system to ensure that it is contributing the correct institutional match of program funds toward campus-based disbursements and that the institutional share is being provided within the appropriate time frames?					
12. Are all fund transfers within the campus-based programs within the allowable award year and program limits?					
Ensuring Adequate Auditing Practices 13. Does your institution have a procedure to ensure that your Title IV programs are audited annually by an independent agent and that the audit report is submitted to ED within the appropriate time frame?					
14. Does your institution maintain an accessible audit trail for each transaction, allowing you to easily trace financial data that identify individual student disbursements and total aid awarded?					
15. Does your institution's system reconcile all Direct Loan Program activity that occurs during a 30-day period before the following 30-day period?					
16. Does your system easily identify excess cash (including interest earned on federal funds) and routinely and promptly return monies to program accounts or to the appropriate federal department?					

C. RECIPIENT ELIGIBILITY

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Evaluating Student Eligibility 1. Does your institution have a system to verify that financial aid recipients meet all eligibility requirements in accordance with §668.7 of the Student Assistance General Provisions?					
2. Does your institution have a system to ensure that all financial aid recipients possess a high school diploma or equivalent or demonstrate the Ability to Benefit (ATB) from the training provided? (§668.7 and HEA 1992)					
3. Does your institution have a system to ensure aid is provided only to regular students (enrolled for the purpose of receiving a degree or certificate) unless exempted by the Higher Education Technical Amendments (HETA) or HEA 1992. (§668.7)					
4. Does your institution have a policy for granting "leaves of absence" and, if so, is there a procedure for determining if a student returns from leave? (§682.605)					
5. Does your institution have a system to ensure that Title IV financial aid is provided only to students in an eligible citizenship category and to identify eligible noncitizens for whom documentation is required? (§668.7)					
Collecting Required Documentation and Verifying Data 6. Does your institution collect and maintain the data relevant to each student's application for federal aid (i.e., SAR, ESAR, or ISIR)?					

C. **RECIPIENT ELIGIBILITY (continued)**

Collecting Required Documentation and Verifying Data (continued) 7. Does your institution have a system for collecting all required student certifications and statements?					
8. Does your institution have a system to identify the need for and collect all required financial aid transcripts for students who attended a prior postsecondary institution? (§668.19)					
9. Does your institution have a system for identifying or resolving conflicting information in accordance with §668.14?					
10. Is your institution in compliance with all applicable verification regulations found in §668.53-668.60? (If you are a Quality Assurance Program (QAP) institution, see the QAP workbook for exemptions.)					
Determining Cost of Attendance 11. Has your institution determined proper budgets or cost of attendance (COA) to use in determining students' need for federal aid programs? (HEA of 1992)					
12. Are costs of attendance properly calculated, prorated based on academic year length when necessary, and, if appropriate, adjusted for students who are studying abroad, incarcerated, or enrolled in correspondence courses?					
13. Does your institution have a COA policy ensuring that COAs are determined based on costs associated with credit/clock hours and costs associated with weeks of instructional time, and are prorated based on full-time, full-year costs?					

D. AWARD CALCULATION AND DISBURSEMENT

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Disbursing Pell Grants 1. Does your institution have a procedure to ensure that Federal Pell Grant disbursement amounts are calculated based on incorporating the 30-week minimum academic year and standards for weeks of instructional time and credit/clock hours earned? (HEA 1992)					
2. Does your institution use a nine-month expected family contribution (EFC) to determine a student's Federal Pell Grant?					
3. Does your institution have a system to ensure receipt of a valid SAR, ESAR, or official EFC on roster or tape (ISIR) while a student is still enrolled and eligible?					
4. Does your institution ensure that all Electronic SARs are signed by all required persons and that alternate eligibility output documents are signed by students to attest that the information reported has been reviewed and is accurate?					
5. Does your institution schedule Federal Pell Grant disbursements often enough so that no one disbursement exceeds half of the annual award (for example, in the case of a non-standard term that exceeds half of the academic year, at least two disbursements are scheduled during the term)?					
6. Does your institution have a system to ensure that Federal Pell Grant payments are properly reported to ED?					

D. **AWARD CALCULATION AND DISBURSEMENT (continued)**

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Disbursing Pell Grants (continued) 7. Does your institution have a system for monitoring student completion of the portion of a term for which he or she was initially paid, to ensure that subsequent disbursements within the term are not made until the portion previously paid for has, in fact, been completed?					
8. For non-term programs, does your institution have a system to ensure that midpoint disbursements are not made until the student has completed both the minimum weeks and clock/credit hours required in the payment period?					
9. Does your institution ensure that awards to incarcerated students, if eligible for Federal Pell Grants, are within appropriate maximums?					
Packaging Campus-Based Awards 10. Does your institution make campus-based aid reasonably available to all of the students represented in your FISAP Eligible Aid Applicant Grid (Part II, Section E), including students attending non-main campus locations?					
11. Are FSEOG funds first awarded to Federal Pell Grant eligible students with exceptional need (lowest EFC)?					
12. Are Federal Perkins Loan funds first awarded to students demonstrating exceptional need (lowest EFC)?					

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D. **AWARD CALCULATION AND DISBURSEMENT (continued)**

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Packaging Campus-Based Awards (continued) 13. For Federal Perkins Loan Program recipients, does your institution have procedures to determine borrower eligibility for forbearance, deferment, and cancellation provisions?					
14. Does your institution have procedures to ensure that due diligence is performed in accordance with requirements of Subpart C, §674.41 - 674.50 of the Federal Perkins Loan Program regulations?					
15. Does your institution have an adequate document control system to track and safeguard signed loan notes?					
16. Does your institution have a system to monitor Federal Work-Study (FWS) earnings and adjust subsequent awards or disbursements as necessary?					
17. Does your institution pay FWS earnings at least monthly?					
18. Does your institution have procedures to ensure that at least 5 percent of your FWS funds are paid to students in service to the community?					
Providing Federal Family Education Loans (FFEL) 19. Does your system ensure that information provided and certified on student loan applications is accurate and complete?					
20. Does your institution determine a student's eligibility for a Federal Pell Grant prior to certifying him/her for an FFEL loan?					

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D. **AWARD CALCULATION AND DISBURSEMENT (continued)**

Providing Federal Family Education Loans (FFEL) (continued) 21. Prior to certifying an unsubsidized Federal Stafford loan for a student, do you make a determination of eligibility for a subsidized loan?					
22. Does your institution have standard procedures to notify a student in writing if you decline to certify a loan?					
23. Does your institution have a system to ensure that the first payment of a Federal Stafford loan or an unsubsidized Federal Stafford loan made to a first-year, first-time undergraduate student is not released until the borrower has completed the first 30 days of his/her program of study?					
24. Does your institution have a procedure for ensuring that students are provided with all of the information stipulated in the entrance and exit interview requirements of the federal loan programs? (§682.604)					
25. During exit counseling, does your institution have a procedure to ensure that you obtain required or updated information from the borrower in accordance with requirements stipulated in the HEA of 1992?					
26. Does your institution have a procedure established so that students may obtain loans under any state-sponsored or private loan program to offset the EFC? (§454(a)(1)(B) HEA)					
Awarding Federal Direct Student Loans 27. Has the institution defined financial aid awarding procedures for use during the 1996-97 academic year for student and parent borrowers? (§454(a)(4) HEA)					
28. Has your institution put in place disbursement procedures for Direct Loans as required by §455(j) of the HEA as amended?					
29. Does your institution have a system to ensure that a properly executed promissory note is obtained from a Direct Loan borrower prior to releasing any loan proceeds to the student?					
30. Has the institution identified the appropriate level and type of automation to best meet its needs in administering the Direct Loan Program?					
31. If you do not originate loans under the Direct Loan Program, have you assigned responsibility and defined procedures for forwarding to ED all student eligibility data needed for alternative loan origination? (§454(a)(1)(E) HEA)					

E. REPORTING AND RECONCILIATION

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Adjusting Awards 1. Does your institution have standard procedures for adjusting disbursements as necessary as a result of verifying data, resolving conflicts, changes in student status, or receipt of additional aid?					
2. For changes in a student's projected enrollment status, does your institution have a policy to determine if Federal Pell Grant awards must be recalculated that takes changes in COA into consideration and is applied consistently to all students?					
3. Does your institution have standard procedures for reporting changes in awards to the student, the central processor, and other institutional offices as appropriate?					
4. Does your institution maintain documentation of adjustments made to data elements used to calculate the cost of attendance (COA) or the expected family contribution (EFC)?					
5. Does your institution properly document changes in students' dependency status or other changes involving professional judgement on a case-by-case basis?					
Providing Title IV Refunds 6. For the purpose of refunding Title IV funds, does your institution have a procedure in place to identify students who register but never attend classes so that financial aid that has been disbursed/credited to the students' accounts can be returned?					

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E. REPORTING AND RECONCILIATION (continued)

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Providing Title IV Refunds (continued) 7. For the purpose of determining when a refund must be paid, does your institution have a system for determining a student's last day of attendance? (§682.605)					
8. Is your institution's refund formula fair and equitable, allowing for the most beneficial treatment for students in accordance with §484B of the HEA?					
9. Do your institution's internal controls ensure that refund calculations are performed in a timely manner and are mathematically correct?					
10. Does your institution have a system to ensure that refunds are made within required time frames and credited to the appropriate Title IV accounts in accordance with the refund distribution order as specified in §485 of the HEA of 1992?					
11. Does your institution have procedures to ensure that the *pro rata* refund formula is used for all first-time students who withdraw prior to the 60 percent point in the term?					
12. Does your institution have a system for ensuring that credit balances are promptly delivered to students unless a student has voluntarily provided written authorization to the institution to retain those funds for future charges?					
13. Does your institution ensure, when determining the amount it is entitled to retain, that it excludes the unpaid balance owed by the student on the account in accordance with §668.22?					

Major Functional Requirements	Inventory of Existing Procedures			Priority of Improvement Actions	
	N/A	No improvement action needed at this time	Improvement action needed	Near-term improvement required	Long-term improvement desired
Reporting and Recordkeeping 14. Does your institution reconcile Title IV disbursement records (general ledger/journal of expenditures) to other data sources (for example, authorization levels, EDPMS 272 Reports, FISAP, and Student Payment Summary Reports) and maintain verifiable, auditable data in support of these records?					
15. Does your institution's system facilitate the timely filing of all required program reports, such as EDPMS 272, Pell Grant IPS, and campus-based FISAP, and required audits and financial statements?					
16. Does your institution have a procedure to ensure that the FISAP is prepared properly and electronically submitted to ED by the stated deadline of each year?					
17. Does your institution verify that accurate information on student status is reported for all borrowers to ED or the appropriate guaranty agency? (§682.610 and §454(a)(1)(E) HEA)					

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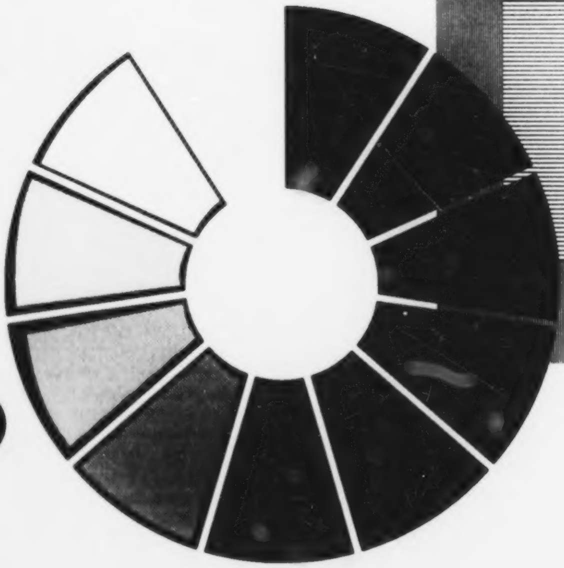
Appendix B

EDExpress Reports



```
Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION             PAGE:  1
Report Time:   10:21:32 1999-2000 Federal Direct Loan Program
                                   List Loans
                                  (STATUS = A)                     Sort: SSN
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************

Borrower's Name                 Current SSN
Student's Name                  Loan    Grd   Loan Amount     Loan/Cred      Orig
LOAN ID                         Type    Lvl   Approved/Req    Status         Date
LOR BATCH ID
-----------------------------   -----------  --------------  ---------   ----------
BLUE, SHEILA H.                 010-60-5569
                                S        1   $2,625 $2,625      A            07/27/1999
010605569S00G01001001
#D0G010011999072714535l

Subtotal                                     $2,625 $2,625
Annual [01] Stafford Limit                   $6,625

IM YOUNG, SALVADOR J.           012-54-3873
                                S        1   $2,625 $2,625      A            07/27/1999
012543873S00G01001001
#D0G010011999072714535l

Subtotal                                     $2,625 $2,625
Annual [01] Stafford Limit                   $6,625

KAZANCHYAN, APETNAKUM L.        020-54-7902
                                S        2   $2,625 $2,625      A            07/27/1999
020547902S00G01001001
#D0G010011999072714535l

Subtotal                                     $2,625 $2,625
Annual [02] Stafford Limit                   $6,625

VASQUEZ, NORMA L.               022-46-5516
                                S        2   $2,625 $2,625      A            07/27/1999
022465516S00G01001001
#D0G010011999072714535l

Subtotal                                     $2,625 $2,625
Annual [02] Stafford Limit                   $6,625

RODRIGUEZ, JAVIER V.            025-46-7061
                                S        4   $2,625 $2,625      A            07/27/1999
025467061S00G01001001
#D0G010011999072714535l

Subtotal                                     $2,625 $2,625
Annual [04] Stafford Limit                   $10,500

JACKSON, MIKE L.                025-64-3691
JACKSON, ANGELINA E.            P        4   $5,000 $5,000      A    A       07/27/1999
025643691P00G01001001
PF0G010011999072715073 2
```

```
Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION              PAGE:  2
Report Time:   10:21:32 1999-2000 Federal Direct Loan Program
                                    List Loans
                                   (STATUS = A)                        Sort: SSN
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*********************************************************************************

Borrower's Name                 Current SSN
Student's Name                  Loan    Grd    Loan Amount      Loan/Cred       Orig
LOAN ID                         Type    Lvl    Approved/Req     Status          Date
LOR BATCH ID
-----------------------------   -----------   --------------   ---------    ----------
JACKSON, ANGELINA E.            025-64-3691
                                S         4   $3,500 $2,625       A         07/27/1999
025643691S00G01001001
#D0G0100119990727145351

Subtotal                                      $8,500 $7,625
Annual [04] Stafford Limit                    $10,500

IVANOVA, MARCIA A.              029-74-9287
                                S         2   $2,625 $2,625       A         07/27/1999
029749287S00G01001001
#D0G0100119990727145351

Subtotal                                      $2,625 $2,625
Annual [02] Stafford Limit                    $6,625

LOPEZ, MARIA Q.                 031-60-6825
LOPEZ, DAVID                    P         3   $3,000 $3,000       A    E    07/27/1999
031606825P00G01001001
PF0G0100119990727150732

Subtotal                                      $3,000 $3,000
Annual [03] Stafford Limit                    $7,500

PICA, CHENEL I.                 031-62-5595
                                S         1   $2,625 $2,625       A         07/27/1999
031625595S00G01001001
#D0G0100119990727145351

Subtotal                                      $2,625 $2,625
Annual [01] Stafford Limit                    $6,625

ALLEN, RAYMOND                  034-40-2939
                                S         1   $2,625 $2,625       A         07/27/1999
034402939S00G01001001
#D0G0100119990727145351

Subtotal                                      $2,625 $2,625
Annual [01] Stafford Limit                    $6,625

SMITH, MARY Q.                  985-38-6731
SMITH, JOHN Q.                  P         3   $1,500 $1,500       A    A    07/27/1999
985386731P00G01001001
PF0G0100119990727145425
```

```
Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION             PAGE:  3
Report Time:   10:21:32 1999-2000 Federal Direct Loan Program
                                   List Loans
                                  (STATUS = A)                        Sort: SSN
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************

Borrower's Name                 Current SSN
Student's Name                  Loan    Grd    Loan Amount     Loan/Cred      Orig
LOAN ID                         Type    Lvl    Approved/Req    Status         Date
LOR BATCH ID
-----------------------------   -----------   --------------   ---------   ----------
SMITH, JOHN Q.                  985-38-6731
                                S        1    $2,625 $2,625       A        07/27/1999
985386731S00G01001001
#D0G0100119990727145351

Subtotal                                      $4,125 $4,125
Annual [01] Stafford Limit                    $6,625

Totals
------
Staff. Sub. Loans/Borrowers                       10      10
Staff. Unsub. Loans/Borrowers                      0       0
PLUS Loans/Borrower                                3       3

Staff. Sub. Amount Approved/Req.                $27,125  $26,250
Staff. Unsub. Amount Approved/Req.              $0       $0
PLUS Amount Approved/Req.                       $9,500   $9,500
```

```
Report Date: 07/19/1999   U.S. DEPARTMENT OF EDUCATION              PAGE:  1
Report Time:    17:13:31 1999-2000 Federal Direct Loan Program
              Full Stafford Origination Record Acknowledgement Errors
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************
BATCH ID : #D0G01001199907171S2148

LOAN ID              STATUS                                    ERROR
                                                               CODES
-------------------- ----------------------------------------- ------------

985386731S00G01001001 ACCEPTED

008488196S00G01001001 ACCEPTED

010605569S00G01001001 ACCEPTED

013426455S00G01001001 ACCEPTED

022465516S00G01001001 ACCEPTED

006963950S00G01001001 ACCEPTED

006963950U00G01001001 ACCEPTED

006846590S00G01001001 ACCEPTED



TOTAL RECORDS ACCEPTED               8
TOTAL RECORDS IN ERROR               0
TOTAL RECORDS SKIPPED                0
TOTAL RECORDS PENDING                0
TOTAL RECORDS IN BATCH               8
```

```
Report Date: 07/27/1999   U.S. DEPARTMENT OF EDUCATION              PAGE:  1
Report Time:    15:36:50 1999-2000 Federal Direct Loan Program
              Full PLUS Origination Record Acknowledgement Errors
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : PF0G0100119990717155539

LOAN ID                STATUS                                       ERROR
                                                                    CODES
---------------------  -------------------------------------------  -------------
985386731P00G01001001  ACCEPTED ORIGINATION/CREDIT CHECK ACCEPTED

025643691P00G01001001  ACCEPTED ORIGINATION/CREDIT CHECK ACCEPTED

031606825P00G01001001  ACCEPTED ORIGINATION/CREDIT CHECK DENIED



TOTAL RECORDS ACCEPTED               3
TOTAL RECORDS IN ERROR               0
TOTAL RECORDS SKIPPED                0
TOTAL RECORDS PENDING                0
TOTAL RECORDS IN BATCH               3
```

```
Report Date: 07/27/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  1
Report Time:   16:38:02 1999-2000 Federal Direct Loan Program
                          PLUS Credit Decision Report
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : #C0G01001199907191555 39

LOAN ID                 CREDIT DECISION DESCRIPTION
---------------------   ---------------------------------------------------------------
031606825P00G01001001   CREDIT OVERRIDDEN; ENDORSER OK



TOTAL RECORDS ACCEPTED             1
TOTAL RECORDS IN ERROR             0
TOTAL RECORDS SKIPPED              0
TOTAL RECORDS PENDING              0
TOTAL RECORDS IN BATCH             1
```

SECTION A: TO BE COMPLETED BY THE BORROWER --

1. Driver's License State and Number
   -NONE

2. Social Security No.
   006-96-3950

3. E-mail Address

4. Name and Address (street, city, state, zip code)
   HUFF, CONSUELO J <- Last, First, M.I.

5. Date of Birth 05/04/1975

6. Area Code/Telephone No.
   (213)665-9416

$__________

SECTION B: TO BE COMPLETED BY THE SCHOOL --

9. School Name and Address
   ELECTRONIC UNIVERSITY
   ANYSTREET
   ANYTOWN, CA 90000

10. School Code/Branch
    G01001

11. Identification No.
    006963950U00G01001001

SECTION A: TO BE COMPLETED BY THE BORROWER --

1. Driver's License State and Number
   -NONE
2. Social Security No.
   006-96-3950
3. E-mail Address
4. Name and Address (street, city, state, zip code)
   HUFF, CONSUELO J <- Last, First, M.I.
5. Date of Birth 05/04/1975
6. Area Code/Telephone No.
   (213)665-9416

$__________

SECTION B: TO BE COMPLETED BY THE SCHOOL --

9. School Name and Address
   ELECTRONIC UNIVERSITY
   ANYSTREET
   ANYTOWN, CA 90000
10. School Code/Branch
    G01001
11. Identification No.
    006963950U00G01001001

```
Report Date: 08/01/1999       U.S. DEPARTMENT OF EDUCATION             Page:     1
Report Time: 13:15:59            EDExpress - 1999-2000
                               Multiple Entry Edit Report
                                       Direct Loan
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
SSN                    Student Name
Field Name                                        Data in Question
Error Message
--------------------------------------------------------------------------------

003789961              MAMYAN, VLADIMIR
Student's Citizenship                             1
Alien Registration Number must be blank for citizens.


Total Records Read:                               6
Total Records Updated:                            6
Total Records Rejected:                           0
Total Fields Updated:                             11
Total Fields Rejected:                            1

        *** PLEASE REVIEW SKIPPED RECORDS AND REPROCESS IF NECESSARY ***
```

```
Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION              PAGE:  1
Report Time:    18:48:22 1999-2000 Federal Direct Loan Program
                                List - Promissory Notes
                                     (ALL RECORDS)                Sort: Loan ID
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*********************************************************************************
BORROWER'S NAME              CURRENT
STUDENT'S NAME               SSN      PRINT                                   MANIFEST
LOAN ID                      LOAN     PNOTE   SEQ#/   RECEIVED     ACCEPTED   PRINT
PROM NOTE BATCH ID           TYPE     STAT    IND.    DATE         SEQ#       DATE
PROM NOTE ACCEPTED LOAN ID
---------------------------  -------  -----   ------  ----------   --------   ----------
MAMYAN, VLADIMIR             003-78-9961
003789961S00G01001001           S        P       1
                                                 O


HUFF, CONSUELO J             006-96-3950
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#A0G0100119990728150337                          O
006963950S00G01001001

HUFF, CONSUELO J             006-96-3950
006963950U00G01001001           U        A       1    07/28/1999      01      07/28/1999
#A0G0100119990728150337                          O
006963950U00G01001001

BLUE, SHEILA H               010-60-5569
010605569S00G01001001           S        P       1
                                                 O


IM YOUNG, SALVADOR J         012-54-3873
012543873S00G01001001           S        P       1
                                                 O


MCCLAIN, ANGELA L            013-42-6455
013426455S00G01001001           S        A       1    07/28/1999      01      07/28/1999
#A0G0100119990728150337                          O
013426455S00G01001001

OGUNFIDITIMI, SONIA A        016-52-7407
016527407S00G01001001           S        A       1    07/28/1999      01      07/28/1999
#A0G0100119990728150337                          O
016527407S00G01001001

KAZANCHYAN, APETNAKUM L      020-54-7902
020547902S00G01001001           S        A       1    07/28/1999      01      07/28/1999
#A0G0100119990728150337                          O
020547902S00G01001001

EGONLANTZ, LACHANDA R        021-56-7986
021567986S00G01001001           S        P       1
                                                 O
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Report Date: 08/01/1999  U.S. DEPARTMENT OF EDUCATION                  PAGE:  2
Report Time:    18:48:22 1999-2000 Federal Direct Loan Program
                            List - Promissory Notes
                                 (ALL RECORDS)                   Sort: Loan ID
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BORROWER'S NAME              CURRENT
STUDENT'S NAME               SSN      PRINT                                  MANIFEST
LOAN ID                      LOAN     PNOTE  SEQ#/   RECEIVED    ACCEPTED    PRINT
PROM NOTE BATCH ID           TYPE     STAT   IND.    DATE        SEQ#        DATE
PROM NOTE ACCEPTED LOAN ID
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SIMPSON, EKATERINA L         022-28-5318
022285318S00G01001001           S       A       1    07/28/1999     01       07/28/1999
#A0G0100119990728150337                         O
022285318S00G01001001

VASQUEZ, NORMA L             022-46-5516
022465516S00G01001001           S       P       1
                                                O


HERNANDEZ, ROBERT            022-72-7558
022727558S00G01001001           S       P       1
                                                O


RODRIGUEZ, JAVIER V          025-46-7061
025467061S00G01001001           S       A       1    07/28/1999     01       07/28/1999
#A0G0100119990728150337                         O
025467061S00G01001001

JACKSON, MIKE L              025-64-3691
JACKSON, ANGELINA E
025643691P00G01001001           P       A       1    07/28/1999     01       07/28/1999
#A0G0100119990728181546                         O
006963950U00G01001001

JACKSON, ANGELINA E          025-64-3691
025643691S00G01001001           S       A       1    07/28/1999     01       07/28/1999
#A0G0100119990728150337                         O
025643691S00G01001001

MARIORENZI, MARIBEL L        027-54-4699
027544699S00G01001001           S       A       1    07/28/1999     01       07/28/1999
#A0G0100119990728150337                         O
027544699S00G01001001

KIM, RONALD                  028-60-9423
028609423S00G01001001           S       A       1    07/28/1999     01       07/28/1999
#A0G0100119990728150337                         O
028609423S00G01001001
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Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  3
Report Time:   18:48:22 1999-2000 Federal Direct Loan Program
                             List - Promissory Notes
                                 (ALL RECORDS)                  Sort: Loan ID
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BORROWER'S NAME              CURRENT
STUDENT'S NAME               SSN      PRINT                                  MANIFEST
LOAN ID                      LOAN     PNOTE  SEQ#/   RECEIVED    ACCEPTED   PRINT
PROM NOTE BATCH ID           TYPE     STAT   IND.    DATE        SEQ#       DATE
PROM NOTE ACCEPTED LOAN ID
---------------------------  -------  -----  ------  ----------  --------   ----------
IVANOVA, MARCIA A            029-74-9287
029749287S00G01001001           S       A      1     07/28/1999     01      07/28/1999
#A0G01001199907281503 37                       O
029749287S00G01001001

LOPEZ, MARIA Q               031-60-6825
LOPEZ, DAVID
031606825P00G01001001           P       A      1     07/28/1999     01      07/28/1999
#A0G01001199907281815 46                       O
006963950S00G01001001

LOPEZ, DAVID                 031-60-6825
031606825S00G01001001           S       A      1     07/28/1999     01      07/28/1999
#A0G01001199907281503 37                       O
031606825S00G01001001

PICA, CHENEL I               031-62-5595
031625595S00G01001001           S       X      1     07/28/1999     01      07/28/1999
#A0G01001199907281503 37                       O
031625595S00G01001001

ALLEN, RAYMOND               034-40-2939
034402939S00G01001001           S       A      1     07/28/1999     01      07/28/1999
#A0G01001199907281503 37                       O
034402939S00G01001001

CERDA-CAMPOS, TIMOTHEA O     036-46-2649
036462649S00G01001001           S       N      0
                                               O


SMITH, MARY Q                985-38-6731
SMITH, JOHN Q
985386731P00G01001001           P       R      0
                                               O


SMITH, JOHN Q                985-38-6731
985386731S00G01001001           S       A      1     07/28/1999     01      07/28/1999
#A0G01001199907281503 37                       O
985386731S00G01001001
```

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Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  4
Report Time:   18:48:22 1999-2000 Federal Direct Loan Program
                            List - Promissory Notes
                                 (ALL RECORDS)                     Sort: Loan ID
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BORROWER'S NAME              CURRENT
STUDENT'S NAME               SSN      PRINT                                MANIFEST
LOAN ID                      LOAN     PNOTE  SEQ#/   RECEIVED    ACCEPTED  PRINT
PROM NOTE BATCH ID           TYPE     STAT   IND.    DATE        SEQ#      DATE
PROM NOTE ACCEPTED LOAN ID
---------------------------  -------  -----  ------  ----------  --------  ----------

Totals
------
Stafford Sub. Notes:                21
Stafford Unsub. Notes:              1
Combined Sub. and Unsub. Notes:     22
PLUS Notes:                         3
```

```
Report Date: 07/29/1999   U.S. DEPARTMENT OF EDUCATION
PAGE:  1
Report Time:    10:38:46 1999-2000 Federal Direct Loan Program
                              Promissory Note Shipping Manifest
                                        (ALL RECORDS)
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY
ACT
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PROMISSORY NOTE SHIPPING BATCH NUMBER:  #A0G010011990729103846

                                                                    PROM
BORROWER'S NAME                      LOANID                         NOTE
STUDENT'S CURRENT SSN                                               SEQ#
------------------------------       ---------------------          ----

HUFF, CONSUELO J.                    006963950U00G01001001             1
006-96-3950

HUFF, CONSUELO J.                    006963950S00G01001001             2
006-96-3950

MCCLAIN, ANGELA L.                   013426455S00G01001001             1
013-42-6455

OGUNFIDITIMI, SONIA A.               016527407S00G01001001             1
016-52-7407

KAZANCHYAN, APETNAKUM L.             020547902S00G01001001             1
020-54-7902

SIMPSON, EKATERINA L.                022285318S00G01001001             1
022-28-5318

RODRIGUEZ, JAVIER V.                 025467061S00G01001001             1
025-46-7061

JACKSON, ANGELINA E.                 025643691S00G01001001             1
025-64-3691

MARIORENZI, MARIBEL L.               027544699S00G01001001             1
027-54-4699

KIM, RONALD                          028609423S00G01001001             1
028-60-9423

IVANOVA, MARCIA A.                   029749287S00G01001001             1
029-74-9287

LOPEZ, DAVID                         031606825S00G01001001             1
031-60-6825

PICA, CHENEL I.                      031625595S00G01001001             1
031-62-5595

ALLEN, RAYMOND                       034402939S00G01001001             1
034-40-2939

Report Date: 07/29/1999   U.S. DEPARTMENT OF EDUCATION
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PAGE:  2
Report Time:   10:38:46 1999-2000 Federal Direct Loan Program
                           Promissory Note Shipping Manifest
                                     (ALL RECORDS)
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY
ACT
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********

PROMISSORY NOTE SHIPPING BATCH NUMBER:  #A0G01001199907291O3846

                                                                   PROM
BORROWER'S NAME                      LOANID                        NOTE
STUDENT'S CURRENT SSN                                              SEQ#
------------------------------       ---------------------         ----

SMITH, JOHN Q.                       985386731S00G01001001            1
985-38-6731


NUMBER OF LOANS FOR SHIPPING         15
NUMBER OF NOTES FOR SHIPPING         _____

I hereby certify that each borrower named on the enclosed
notes/disclosures is
accepted for enrollment on at least a half-time basis and is making
satisfactory
progress in a program that is eligible for the loan type(s) awarded.  I
certify
that each student is an eligible borrower in accordance with the Act.  I
further
certify that each borrower's eligibility for a Pell Grant has been
determined,
that each borrower is not incarcerated, and that each borrower has been
determined eligible for loan(s) in the amount(s) certified.  I further
certify
that the disbursement schedules comply with the requirements of the Act
and
hereby authorize the Department of Education to adjust disbursement
dates if
necessary to ensure compliance with the Act.  I further certify that,
based on
records available and due inquiry, each borrower has met the
requirements of the
Selective Service Act, that each borrower is not liable for an
overpayment of
any Federal grant made under the Act, and that the information provided
in the
Borrower and the School sections of the promissory notes/disclosures
(including
information supplied in electronic format) is true, complete and
accurate to the
best of my knowledge and belief.

SCHOOL CODE:  G01001  NAME:   ELECTRONIC UNIVERSITY

SIGNATURE:

FAA NAME:  AUTHORIZED LOAN OFFICIAL
```

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Report Date: 07/29/1999   U.S. DEPARTMENT OF EDUCATION
PAGE:  1
Report Time:    10:50:09 1999-2000 Federal Direct Loan Program
                              Promissory Note Shipping Manifest
                                        (ALL RECORDS)
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY
ACT
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********

PROMISSORY NOTE SHIPPING BATCH NUMBER:  #A0G0100119990729105009

BORROWER'S NAME                     LOANID                        PROM
STUDENT'S NAME                                                    NOTE
STUDENT'S CURRENT SSN                                             SEQ#
------------------------------      ---------------------         ----

JACKSON, MIKE L.                    025643691P00G01001001            1
JACKSON, ANGELINA E.
025-64-3691

LOPEZ, MARIA Q.                     031606825P00G01001001            1
LOPEZ, DAVID
031-60-6825


NUMBER OF LOANS FOR SHIPPING        2
NUMBER OF NOTES FOR SHIPPING        _____

I hereby certify that each borrower named on the enclosed
notes/disclosures is
accepted for enrollment on at least a half-time basis and is making
satisfactory
progress in a program that is eligible for the loan type(s) awarded.  I
certify
that each student is an eligible borrower in accordance with the Act.  I
further
certify that each borrower's eligibility for a Pell Grant has been
determined,
that each borrower is not incarcerated, and that each borrower has been
determined eligible for loan(s) in the amount(s) certified.  I further
certify
that the disbursement schedules comply with the requirements of the Act
and
hereby authorize the Department of Education to adjust disbursement
dates if
necessary to ensure compliance with the Act.  I further certify that,
based on
records available and due inquiry, each borrower has met the
requirements of the
Selective Service Act, that each borrower is not liable for an
overpayment of
any Federal grant made under the Act, and that the information provided
in the
Borrower and the School sections of the promissory notes/disclosures
(including
information supplied in electronic format) is true, complete and
accurate to the
best of my knowledge and belief.

SCHOOL CODE:  G01001  NAME:   ELECTRONIC UNIVERSITY
```

SIGNATURE:

FAA NAME: AUTHORIZED LOAN OFFICIAL

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Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION            PAGE:  1
Report Time:   18:59:07 1999-2000 Federal Direct Loan Program
                    Promissory Note Acknowledgement From LOC
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : #A0G0100119990729103846

LOAN ID                  PROM       REASON CODES    ALTERED NOTE          PNOTE
CURRENT SSN              STATUS     RECON STATUS    NET LOC AMOUNT        ACCEPTED
STUDENT NAME                                                              AMOUNT
----------------------------------------------------------------------------------
006963950U00G01001001    ACCEPTED                                         $  5,000
006963950                           UNBOOKED        $      0
HUFF, CONSUELO J

006963950S00G01001001    ACCEPTED                                         $  8,500
006963950                           UNBOOKED        $      0
HUFF, CONSUELO J

013426455S00G01001001    ACCEPTED                                         $  2,625
013426455                           UNBOOKED        $      0
MCCLAIN, ANGELA L

016527407S00G01001001    ACCEPTED                                         $  2,625
016527407                           UNBOOKED        $      0
OGUNFIDITIMI, SONIA A

020547902S00G01001001    ACCEPTED                                         $  2,625
020547902                           UNBOOKED        $      0
KAZANCHYAN, APETNAKUM L

022285318S00G01001001    REJECTED   A                                     $  2,625
022285318                           UNBOOKED        $      0
SIMPSON, EKATERINA L

025467061S00G01001001    ACCEPTED                                         $  2,625
025467061                           UNBOOKED        $      0
RODRIGUEZ, JAVIER V

025643691S00G01001001    ACCEPTED                                         $  2,625
025643691                           UNBOOKED        $      0
JACKSON, ANGELINA E

027544699S00G01001001    SKIPPED                                          $  2,625
027544699                           UNBOOKED        $      0
MARIORENZI, MARIBEL L
                         ** INVALID PROM NOTE STATUS - E

028609423S00G01001001    ACCEPTED                                         $  2,625
028609423                           UNBOOKED        $      0
KIM, RONALD

029749287S00G01001001    REJECTED                                         $  2,625
029749287                           UNBOOKED        $      0
IVANOVA, MARCIA A

031606825S00G01001001    ACCEPTED                                         $  2,625
```

```
Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  2
Report Time:   18:59:07 1999-2000 Federal Direct Loan Program
                    Promissory Note Acknowledgement From LOC
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : #A0G01001199907291O3846

LOAN ID                  PROM        REASON CODES     ALTERED NOTE          PNOTE
CURRENT SSN              STATUS      RECON STATUS     NET LOC AMOUNT        ACCEPTED
STUDENT NAME                                                                AMOUNT
----------------------------------------------------------------------------------
031606825                            UNBOOKED         $      0
LOPEZ, DAVID

031625595S00G01001001    PENDING                                            $  2,625
031625595                            UNBOOKED         $      0
PICA, CHENEL I

034402939S00G01001001    ACCEPTED                                           $  2,625
034402939                            UNBOOKED         $      0
ALLEN, RAYMOND

985386731S00G01001001    ACCEPTED                                           $  2,625
985386731                            UNBOOKED         $      0
SMITH, JOHN Q



TOTAL RECORDS ACCEPTED             11
TOTAL RECORDS IN ERROR              2
TOTAL RECORDS PENDING               1
TOTAL RECORDS SKIPPED               1
TOTAL RECORDS IN BATCH             15
```

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Report Date: 08/01/1999   U.S. DEPARTMENT OF EDUCATION                 PAGE:  1
Report Time:    18:50:39 1999-2000 Federal Direct Loan Program
                      Promissory Note Acknowledgement From LOC
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : #A0G0100119990729103846

LOAN ID                   PROM       REASON CODES     ALTERED NOTE           PNOTE
CURRENT SSN               STATUS     RECON STATUS     NET LOC AMOUNT         ACCEPTED
STUDENT NAME                                                                 AMOUNT
---------------------------------------------------------------------------------
022285318S00G01001001     ACCEPTED                                          $  2,625
022285318                            UNBOOKED         $       0
SIMPSON, EKATERINA L



TOTAL RECORDS ACCEPTED               1
TOTAL RECORDS IN ERROR               0
TOTAL RECORDS PENDING                0
TOTAL RECORDS SKIPPED                0
TOTAL RECORDS IN BATCH               1
```

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Report Date: 07/27/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  1
Report Time:    15:09:26 1999-2000 Federal Direct Loan Program
                                  Anticipated Disbursements List
                                          (ALL RECORDS)                Sort: Last Name
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************


                                                   Anticipated      Actual
                                                      Date           Date
Borrower's Name                                       Gross          Gross    Adjusted
Student's Name                            Loan Type   Net            Net      Disb
Origination Loan ID                       Disb Num               Action Type  Date
----------------------------              --------- ----------- ----------- -----------
                                                     08/30/1999
ALLEN, RAYMOND                                       $1,313.00      $0.00
                                              S      $1,261.00      $0.00
034402939S00G01001001                         1

                                                     01/10/2000
ALLEN, RAYMOND                                       $1,312.00      $0.00
                                              S      $1,260.00      $0.00
034402939S00G01001001                         2

                                                     08/30/1999
BLUE, SHEILA H.                                      $1,313.00      $0.00
                                              S      $1,261.00      $0.00
010605569S00G01001001                         1

                                                     01/10/2000
BLUE, SHEILA H.                                      $1,312.00      $0.00
                                              S      $1,260.00      $0.00
010605569S00G01001001                         2

                                                     08/30/1999
CERDA-CAMPOS, TIMOTHEA O.                              $0.00        $0.00
                                              S        $0.00        $0.00
036462649S00G01001001                         1

                                                     01/10/2000
CERDA-CAMPOS, TIMOTHEA O.                              $0.00        $0.00
                                              S        $0.00        $0.00
036462649S00G01001001                         2

                                                     08/30/1999
EGONLANTZ, LACHANDA R.                               $1,313.00      $0.00
                                              S      $1,261.00      $0.00
021567986S00G01001001                         1

                                                     01/10/2000
EGONLANTZ, LACHANDA R.                               $1,312.00      $0.00
                                              S      $1,260.00      $0.00
021567986S00G01001001                         2
```

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Report Date: 07/27/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  2
Report Time:   15:09:26 1999-2000 Federal Direct Loan Program
                         Anticipated Disbursements List
    .                            (ALL RECORDS)                  Sort: Last Name
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************

                                          Anticipated      Actual
                                              Date          Date
Borrower's Name                               Gross          Gross   Adjusted
Student's Name                  Loan Type     Net           Net      Disb
Origination Loan ID             Disb Num                Action Type  Date
-----------------------------   --------- ------------ ------------ ------------
                                           08/30/1999
HERNANDEZ, ROBERT                          $1,313.00      $0.00
                                    S      $1,261.00      $0.00
022727558S00G01001001               1

                                           01/10/2000
HERNANDEZ, ROBERT                          $1,312.00      $0.00
                                    S      $1,260.00      $0.00
022727558S00G01001001               2

                                           08/30/1999
IM YOUNG, SALVADOR J.                      $1,313.00      $0.00
                                    S      $1,261.00      $0.00
012543873S00G01001001               1

                                           01/10/2000
IM YOUNG, SALVADOR J.                      $1,312.00      $0.00
                                    S      $1,260.00      $0.00
012543873S00G01001001               2

                                           08/30/1999
IVANOVA, MARCIA A.                         $1,313.00      $0.00
                                    S      $1,261.00      $0.00
029749287S00G01001001               1

                                           01/10/2000
IVANOVA, MARCIA A.                         $1,312.00      $0.00
                                    S      $1,260.00      $0.00
029749287S00G01001001               2

                                           08/30/1999
JACKSON, MIKE L.                           $2,500.00      $0.00
JACKSON, ANGELINA E.                P      $2,400.00      $0.00
025643691P00G01001001               1

                                           01/10/2000
JACKSON, MIKE L.                           $2,500.00      $0.00
JACKSON, ANGELINA E.                P      $2,400.00      $0.00
025643691P00G01001001               2
```

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Report Date: 07/27/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  3
Report Time:    15:09:26 1999-2000 Federal Direct Loan Program
                            Anticipated Disbursements List
                                   (ALL RECORDS)                 Sort: Last Name
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************

                                                Anticipated      Actual
                                                   Date           Date
Borrower's Name                                   Gross           Gross    Adjusted
Student's Name                       Loan Type     Net             Net      Disb
Origination Loan ID                  Disb Num                 Action Type   Date
----------------------------         --------- -----------  ----------- -----------
                                                08/30/1999
JACKSON, ANGELINA E.                            $1,313.00      $0.00
                                          S     $1,261.00      $0.00
025643691S00G01001001                     1

                                                01/10/2000
JACKSON, ANGELINA E.                            $1,312.00      $0.00
                                          S     $1,260.00      $0.00
025643691S00G01001001                     2

                                                08/30/1999
KAZANCHYAN, APETNAKUM L.                        $1,313.00      $0.00
                                          S     $1,261.00      $0.00
020547902S00G01001001                     1

                                                01/10/2000
KAZANCHYAN, APETNAKUM L.                        $1,312.00      $0.00
                                          S     $1,260.00      $0.00
020547902S00G01001001                     2

                                                08/30/1999
KIM, RONALD                                     $1,313.00      $0.00
                                          S     $1,261.00      $0.00
028609423S00G01001001                     1

                                                01/10/2000
KIM, RONALD                                     $1,312.00      $0.00
                                          S     $1,260.00      $0.00
028609423S00G01001001                     2

                                                08/30/1999
LOPEZ, MARIA Q.                                 $1,500.00      $0.00
LOPEZ, DAVID                              P     $1,440.00      $0.00
031606825P00G01001001                     1

                                                01/10/2000
LOPEZ, MARIA Q.                                 $1,500.00      $0.00
LOPEZ, DAVID                              P     $1,440.00      $0.00
031606825P00G01001001                     2
```

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Report Date: 07/27/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  4
Report Time:   15:09:26 1999-2000 Federal Direct Loan Program
                         Anticipated Disbursements List
                                 (ALL RECORDS)                   Sort: Last Name
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************

                                          Anticipated      Actual.
                                              Date          Date
Borrower's Name                               Gross         Gross    Adjusted
Student's Name                  Loan Type     Net           Net      Disb
Origination Loan ID             Disb Num                Action Type  Date
-----------------------------   --------- ------------ ------------ -----------
                                           08/30/1999
LOPEZ, DAVID                               $1,313.00      $0.00
                                    S      $1,261.00      $0.00
031606825S00G01001001               1

                                           01/10/2000
LOPEZ, DAVID                               $1,312.00      $0.00
                                    S      $1,260.00      $0.00
031606825S00G01001001               2

                                           08/30/1999
MAMYAN, VLADIMIR                           $1,313.00      $0.00
                                    S      $1,261.00      $0.00
003789961S00G01001001               1

                                           01/10/2000
MAMYAN, VLADIMIR                           $1,312.00      $0.00
                                    S      $1,260.00      $0.00
003789961S00G01001001               2

                                           08/30/1999
MARIORENZI, MARIBEL L.                     $1,313.00      $0.00
                                    S      $1,261.00      $0.00
027544699S00G01001001               1

                                           01/10/2000
MARIORENZI, MARIBEL L.                     $1,312.00      $0.00
                                    S      $1,260.00      $0.00
027544699S00G01001001               2

                                           08/30/1999
MCCLAIN, ANGELA L.                         $1,313.00      $0.00
                                    S      $1,261.00      $0.00
013426455S00G01001001               1

                                           01/10/2000
MCCLAIN, ANGELA L.                         $1,312.00      $0.00
                                    S      $1,260.00      $0.00
013426455S00G01001001               2
```

Anticipated Disbursements List
(ALL RECORDS) Sort: Last Name

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

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Borrower's Name Student's Name Origination Loan ID	Loan Type Disb Num	Anticipated Date Gross Net	Actual Date Gross Net Action Type	Adjusted Disb Date
OGUNFIDITIMI, SONIA A. 016527407S00G01001001	S 1	08/30/1999 $1,313.00 $1,261.00	$0.00 $0.00	
OGUNFIDITIMI, SONIA A. 016527407S00G01001001	S 2	01/10/2000 $1,312.00 $1,260.00	$0.00 $0.00	
PICA, CHENEL I. 031625595S00G01001001	S 1	08/30/1999 $1,313.00 $1,261.00	$0.00 $0.00	
PICA, CHENEL I. 031625595S00G01001001	S 2	01/10/2000 $1,312.00 $1,260.00	$0.00 $0.00	
RODRIGUEZ, JAVIER V. 025467061S00G01001001	S 1	08/30/1999 $1,313.00 $1,261.00	$0.00 $0.00	
RODRIGUEZ, JAVIER V. 025467061S00G01001001	S 2	01/10/2000 $1,312.00 $1,260.00	$0.00 $0.00	
SIMPSON, EKATERINA L. 022285318S00G01001001	S 1	08/30/1999 $1,313.00 $1,261.00	$0.00 $0.00	
SIMPSON, EKATERINA L. 022285318S00G01001001	S 2	01/10/2000 $1,312.00 $1,260.00	$0.00 $0.00	

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*********************************************************************************

                                                Anticipated      Actual
                                                    Date          Date
Borrower's Name                                     Gross         Gross     Adjusted
Student's Name                       Loan Type      Net            Net      Disb
Origination Loan ID                  Disb Num                  Action Type  Date
----------------------------         --------- ------------ ------------ -----------
                                                  08/30/1999
SMITH, MARY Q.                                     $750.00        $0.00
SMITH, JOHN Q.                           P         $720.00        $0.00
985386731P00G01001001                    1

                                                  01/10/2000
SMITH, MARY Q.                                     $750.00        $0.00
SMITH, JOHN Q.                           P         $720.00        $0.00
985386731P00G01001001                    2

                                                  08/30/1999
SMITH, JOHN Q.                                   $1,313.00        $0.00
                                         S       $1,261.00        $0.00
985386731S00G01001001                    1

                                                  01/10/2000
SMITH, JOHN Q.                                   $1,312.00        $0.00
                                         S       $1,260.00        $0.00
985386731S00G01001001                    2

                                                  08/30/1999
VASQUEZ, NORMA L.                                $1,313.00        $0.00
                                         S       $1,261.00        $0.00
022465516S00G01001001                    1

                                                  01/10/2000
VASQUEZ, NORMA L.                                $1,312.00        $0.00
                                         S       $1,260.00        $0.00
022465516S00G01001001                    2
```

```
                                          Anticipated     Actual
                                              Date         Date
Borrower's Name                               Gross        Gross    Adjusted
Student's Name                  Loan Type     Net          Net      Disb
Origination Loan ID             Disb Num                Action Type Date
-----------------------------   --------- ------------ ------------ ------------


                                          ANTICIPATED     ACTUAL
SUBSIDIZED STAFFORD LOANS
Total Gross Disbursements                  $49,875.00     $0.00
Total Net Disbursements                    $47,899.00     $0.00

UNSUBSIDIZED STAFFORD LOANS
Total Gross Disbursements                     $0.00       $0.00
Total Net Disbursements                       $0.00       $0.00

PLUS LOANS
Total Gross Disbursements                   $9,500.00     $0.00
Total Net Disbursements                     $9,120.00     $0.00

Total Gross Disbursements (ALL)            $59,375.00     $0.00
Total Net Disbursements (ALL)              $57,019.00     $0.00
```

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Report Date: 09/12/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  1
Report Time:    11:40:26 1999-2000 Federal Direct Loan Program
                      Direct Loan School Account Statement
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************
BATCH ID : AS0G01001199909111140344
LOC Process Date:  09/11/1999

School Code:  G01001
Month End:    08/10/1999


CASH SUMMARY

Beginning Balance:                                     $            500
    Cash Receipts:                $        24,431
    Excess Cash Returned:         $             0
Total Cash Receipts                                    $         24,431

    Net Booked Disb. Actual:      $        24,732
    Net Booked Disb. Adjustments: $          -301
Total Net Booked Loan Detail                           $         24,431


Ending Cash Balance:                                   $            500

------------------------------------------------------------------------------

    Net Unbooked Disb. Actual:    $             0
    Net Unbooked Disb. Adjustments: $           0
Total Net Unbooked Loan Detail                         $              0

Adjusted Ending Cash Balance:                          $            500



                                 ******
The LOC's Ending Cash Balance represents the Department's official cash
balance for your school at the end of the current month. This ending
cash balance from the LOC's records will be used by the Department to
monitor the cash activity and balances at your school. If your records
do not agree, please notify your Customer Service Representative
IMMEDIATELY.
                                 ******
```

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Report Date: 09/12/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  2
Report Time:   11:40:26 1999-2000 Federal Direct Loan Program
                      Direct Loan School Account Statement
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : AS0G0100119990911140344
LOC Process Date:  09/11/1999

School Code:  G01001
Month End:    08/10/1999


CASH DETAIL RECORDS FOR THIS MONTH

TRANS TYPE     DATE         AMOUNT                GAPS CONTROL #      CHECK #
----------     ----------   ---------------       --------------      -------
Cash Receipt   08/10/1999   $          24,431     1234567890123             0
```

```
Report Date: 09/12/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  3
Report Time:    11:40:26 1999-2000 Federal Direct Loan Program
                         Direct Loan School Account Statement
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : AS0G01001199909111403444
LOC Process Date:  09/11/1999

School Code:  G01001
Month End:    08/10/1999


LOAN DETAIL RECORDS

BORROWER'S NAME                 DISB#/TYPE  LOC      STATUS        BOOKED
LOAN ID                         DATE        AMOUNT                 DATE
--------------------            ----------- -------- ------------- ----------

HUFF, CONSUELO J                1  G                 BOOKED        09/11/1999
006963950S00G01001001           08/30/1999  $  4,250 GROSS
                                            $    170 FEE
                                            $  4,080 NET
                                            $      0 NET ADJUSTMENT

HUFF, CONSUELO J                1  G                 BOOKED        09/11/1999
006963950U00G01001001           08/30/1999  $  5,000 GROSS
                                            $    200 FEE
                                            $  4,800 NET
                                            $      0 NET ADJUSTMENT

BLUE, SHEILA H                  1  G                 BOOKED        09/11/1999
010605569S00G01001001           08/30/1999  $    750 GROSS
                                            $     30 FEE
                                            $    720 NET
                                            $      0 NET ADJUSTMENT

MCCLAIN, ANGELA L               1  G                 BOOKED        09/11/1999
013426455S00G01001001           08/30/1999  $  1,313 GROSS
                                            $     52 FEE
                                            $  1,261 NET
                                            $      0 NET ADJUSTMENT

MCCLAIN, ANGELA L               1  A                 BOOKED        09/11/1999
013426455S00G01001001           08/30/1999  $  1,000 GROSS
                                            $     40 FEE
                                            $    960 NET
                                            $   -301 NET ADJUSTMENT

OGUNFIDITIMI, SONIA A           1  G                 BOOKED        09/11/1999
016527407S00G01001001           08/30/1999  $  1,313 GROSS
                                            $     52 FEE
                                            $  1,261 NET
                                            $      0 NET ADJUSTMENT
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID : AS0G01001199909111140344
LOAN DETAIL RECORDS

BORROWER'S NAME                 DISB#/TYPE  LOC       STATUS          BOOKED
LOAN ID                         DATE        AMOUNT                    DATE
--------------------            ----------- --------  --------------  ----------

KAZANCHYAN, APETNAKUM L         1  G                  BOOKED          09/11/1999
020547902S00G01001001           08/30/1999  $  1,313  GROSS
                                            $     52  FEE
                                            $  1,261  NET
                                            $      0  NET ADJUSTMENT

RODRIGUEZ, JAVIER V             1  G                  BOOKED          09/11/1999
025467061S00G01001001           08/30/1999  $  1,313  GROSS
                                            $     52  FEE
                                            $  1,261  NET
                                            $      0  NET ADJUSTMENT

JACKSON, ANGELINA E             1  G                  BOOKED          09/11/1999
025643691S00G01001001           08/30/1999  $  1,313  GROSS
                                            $     52  FEE
                                            $  1,261  NET
                                            $      0  NET ADJUSTMENT

MARIORENZI, MARIBEL L           1  G                  BOOKED          09/11/1999
027544699S00G01001001           08/30/1999  $  1,313  GROSS
                                            $     52  FEE
                                            $  1,261  NET
                                            $      0  NET ADJUSTMENT

KIM, RONALD                     1  G                  BOOKED          09/11/1999
028609423S00G01001001           08/30/1999  $  1,313  GROSS
                                            $     52  FEE
                                            $  1,261  NET
                                            $      0  NET ADJUSTMENT

IVANOVA, MARCIA A               1  G                  BOOKED          09/11/1999
029749287S00G01001001           08/30/1999  $  1,313  GROSS
                                            $     52  FEE
                                            $  1,261  NET
                                            $      0  NET ADJUSTMENT

LOPEZ, DAVID                    1  G                  BOOKED          09/11/1999
031606825S00G01001001           08/30/1999  $  1,313  GROSS
                                            $     52  FEE
                                            $  1,261  NET
                                            $      0  NET ADJUSTMENT
```

```
BATCH ID : AS0G01001199909111140344
LOAN DETAIL RECORDS

BORROWER'S NAME                 DISB#/TYPE  LOC      STATUS         BOOKED
LOAN ID                         DATE        AMOUNT                  DATE
--------------------            ----------  -------- -------------  ----------

PICA, CHENEL I                  1  G                 BOOKED         09/11/1999
031625595S00G01001001           08/30/1999  $  1,313 GROSS
                                            $     52 FEE
                                            $  1,261 NET
                                            $      0 NET ADJUSTMENT

ALLEN, RAYMOND                  1  G                 BOOKED         09/11/1999
034402939S00G01001001           08/30/1999  $  1,313 GROSS
                                            $     52 FEE
                                            $  1,261 NET
                                            $      0 NET ADJUSTMENT

SMITH, JOHN Q                   1  G                 BOOKED         09/11/1999
985386731S00G01001001           08/30/1999  $  1,313 GROSS
                                            $     52 FEE
                                            $  1,261 NET
                                            $      0 NET ADJUSTMENT
```

Report Date: 09/12/1999 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 10:05:54 1999-2000 Federal Direct Loan Program
Booked Status Measurement Report
(ALL RECORDS) Sort: Last Name
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
****

Reported Period to:
Booked Records

Borrower's Name Student's Name Loan ID	Current SSN	Orig Sts	PNote Sts	Disb Sts/#	Disb Type	Disb Amt	Disb Date
ALLEN, RAYMOND 034402939S00G01001001	034402939	B	A	A 1	G	$1,313	08/30/1999
HUFF, CONSUELO J. 006963950S00G01001001	006963950	B	A	A 1	G	$4,250	08/30/1999
HUFF, CONSUELO J. 006963950U00G01001001	006963950	B	A	A 1	G	$5,000	08/30/1999
IVANOVA, MARCIA A. 029749287S00G01001001	029749287	B	A	A 1	G	$1,313	08/30/1999
JACKSON, ANGELINA E. 025643691S00G01001001	025643691	B	A	A 1	G	$1,313	08/30/1999
KAZANCHYAN, APETNAKUM L. 020547902S00G01001001	020547902	B	A	A 1	G	$1,313	08/30/1999
KIM, RONALD 028609423S00G01001001	028609423	B	A	A 1	G	$1,313	08/30/1999
LOPEZ, DAVID 031606825S00G01001001	031606825	B	A	A 1	G	$1,313	08/30/1999
MARIORENZI, MARIBEL L. 027544699S00G01001001	027544699	B	A	A 1	G	$1,313	08/30/1999
MCCLAIN, ANGELA L. 013426455S00G01001001	013426455	B	A	A 1	G	$1,313	08/30/1999

```
Report Date: 09/12/1999   U.S. DEPARTMENT OF EDUCATION                PAGE:  2
Report Time:    10:05:54 1999-2000 Federal Direct Loan Program
                         Booked Status Measurement Report
                                (ALL RECORDS)                  Sort: Last Name
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*********************************************************************************

Reported Period to:
Booked Records

Borrower's Name
Student's Name                 Current   Orig PNote Disb  Disb Disb    Disb
Loan ID                        SSN       Sts  Sts   Sts/# Type Amt     Date
------------------------------ --------- ---- ----- ----- ---- ------- ----------
OGUNFIDITIMI, SONIA A.
                               016527407 B    A     A  1  G     $1,313 08/30/1999
016527407S00G01001001

PICA, CHENEL I.
                               031625595 B    A     A  1  G     $1,313 08/30/1999
031625595S00G01001001

RODRIGUEZ, JAVIER V.
                               025467061 B    A     A  1  G     $1,313 08/30/1999
025467061S00G01001001

SMITH, JOHN Q.
                               985386731 B    A     A  1  G     $1,313 08/30/1999
985386731S00G01001001


Total Booked Disbursements Actual:                    $25,006.00
Total Booked Net Adjustments:                              $0.00

B = Batched Origination Records:                 14  100.00%
E = Rejected Origination Records:                 0    0.00%
A = Accepted Origination Records:                 0    0.00%
S = Signed Promissory Notes:                      0    0.00%
S*= Prom Notes Sent on Manifest:                  0    0.00%
E = Rejected Promissory Notes:                    0    0.00%
X = Pending Promissory Notes:                     0    0.00%
A = Accepted Promissory Notes:                   14  100.00%
R = Ready Disbursement Records:                   0    0.00%
B = Batched Disbursement Records:                 0    0.00%
E = Rejected Disbursement Records:                0    0.00%
A = Accepted Disbursement Records:               14  100.00%

Total Records:            14
```

```
Report Date: 09/12/1999   U.S. DEPARTMENT OF EDUCATION                     PAGE:  3
Report Time:    10:05:54 1999-2000 Federal Direct Loan Program
                         Booked Status Measurement Report
                                   (ALL RECORDS)                    Sort: Last Name
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************

Reported Period to:
Records Not Booked

Borrower's Name
Student's Name                Current   Orig PNote Disb  Disb Disb    Disb
Loan ID                       SSN       Sts  Sts   Sts/# Type Amt     Date
----------------------------- --------- ---- ----- ----- ---- ------- ----------
BLUE, SHEILA H.
                              010605569 B    S     R  1  G       $750 08/30/1999
010605569S00G01001001

MCCLAIN, ANGELA L.
                              013426455 B    A     R  1  A     $1,000 08/30/1999
013426455S00G01001001

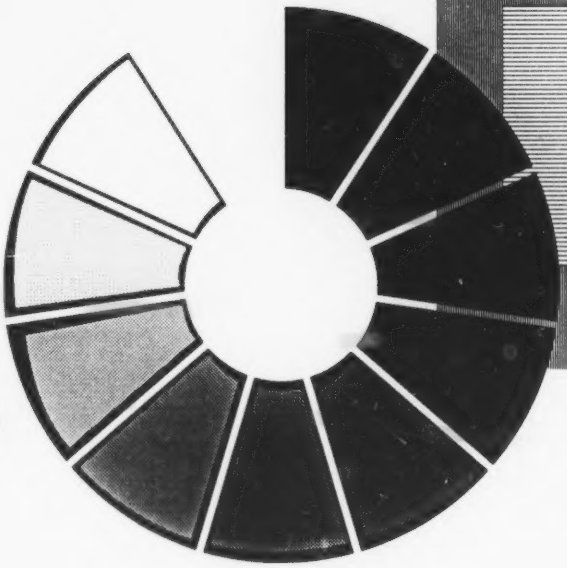

Total Unbooked Disbursements Actual:                   $750.00
Total Unbooked Net Adjustments:                      $1,000.00

B = Batched Origination Records:             2  100.00%
E = Rejected Origination Records:            0    0.00%
A = Accepted Origination Records:            0    0.00%
S = Signed Promissory Notes:                 1  100.00%
S*= Prom Notes Sent on Manifest:             0    0.00%
E = Rejected Promissory Notes:               0    0.00%
X = Pending Promissory Notes:                0    0.00%
A = Accepted Promissory Notes:               1   50.00%
R = Ready Disbursement Records:              2  100.00%
B = Batched Disbursement Records:            0    0.00%
E = Rejected Disbursement Records:           0    0.00%
A = Accepted Disbursement Records:           0    0.00%

Total Records:              2
```

Appendix C

Phone Numbers



William D. Ford Federal Direct Loan Program Important Numbers

Student Financial Aid Programs Customer Service	***800-433-7327***
General inquiries from institutions	
Student inquiries – Student Aid Information Center	800-4-FED-AID
Department of Education Direct Loan Task Force	***202-708-9951***
Program Development and Coordination Working hours are from 8:00 AM to 5:00 PM (EST)	
Direct Loan Task Force Fax	***202-401-3424***
Direct Loan Internet Address	**Direct_Loan@ed.gov**
Direct Loan Web Site	***www.ed.gov/offices/OPE/DirectLoan***
Department of Education Direct Loan Policy	***202-708-9406***
CPS Direct Loan Customer Service	***1-800-330-5947***
All EDExpress software modules ExpEDite software Enrollment in Title IV WAN Technical advice and systems support Working hours are from 8:00 AM to 7:00 PM (CST)	
CPS Customer Service Fax	***1-319-358-4260***
Title IV WAN Customer Service	***1-800-615-1189***
Network problems Resending application batches Password problems Transmission errors	
Custom/Combo technical support	***1-800-756-4220***
Mainframe technical issues	
Title IV WAN Customer Service Fax	***1-319-339-6983***
Loan Origination Center (School Relations)	***1-800-848-0978***
Acknowledgments Promissory notes processing Testing Reconciliation issues Alternative origination processing Bulk forms/publication ordering Working hours are from 8:00 AM to 8:00 PM (ET)	

Direct Loan Consolidation* *1-800-557-7392

The Direct Loan Servicing Centers
Booked loans
Payments made
Deferments
Repayment options
Disability
Working hours are from 8:00 AM to 8:00 PM (EST)

Central School Relations (not yet operational)*	1-888-445-7745
Central Borrower Services (not yet operational)*	1-888-447-4460

Specific Number for each Servicing Center:

Direct Loan Servicing Center – Utica, NY

Borrower Services	1-800-848-0979
Delinquent Accounts/Collections Department	1-800-848-0981
School Relations	1-888-877-7658
FAX1-800-848-0983	
TDD	1-800-848-0984
Direct Loan Consolidation	1-800-848-0982

Direct Loan Client Account Managers

Region I (MA, ME, NH, VT, RI, CT)

Regional Director for Direct Loans – David Sola
Address: 10 Causeway Street, 3rd floor – Room 341, Boston, MA 02222
Phone: 617-565-6911 Fax: 617-565-8636

Region II (NY, NJ, PR, VI)

Regional Director for Direct Loans – Marie Carroll
Address: 75 park Place, 12th Floor, New York, NY 10007
Phone: 212-264-8012 Fax: 212-264-1666

Region III (PA, MD, VA, WV, DE, DC)

Regional Director for Direct loans – Gary Smith
Address: 3535 Market St., Room 2304, Philadelphia, PA 19104-3309
Phone: 215-596-1716 Fax: 215-596-1726

Region IV (GA, FL, AL, MS, TN, KY, SC, NC)

Regional Director for Direct Loans – Connie Kaschub
Address: 61 Forsyth Street, SW – Room 18T20-A, Atlanta, GA 30303
Phone: 404-562-6259 Fax: 404-562-6283

Direct Loan Client Account Managers (Cont.)

Region V (IL, WI, MI, IN, OH)

Regional Director for Direct loans – George Gevelinger
Address: 111 N. Canal Street, Suite 830, Chicago, IL 60606-7206
Phone: 312-886-8766 Fax: 312-886-6737

Region VI (TX, OK, LA, AR, NM)

Acting Regional Director for Direct Loans — Ed Farrar
Address: 1200 Main Tower, Room 2150, Dallas, TX 75202-4325
Phone: 214-767-9607 Fax: 214-767-9604

Region VII (KS, MO, NE, IA)

Regional Director for Direct Loans – Mark Walsh
\Address: 7505 Tiffany Springs Parkway, Suite 500, Kansas City, MO 64153-1367
Phone: 816-880-4090 Fax: 816-891-8713

Region VIII (CO, WY, MT, UT, SD, ND, MN)

Regional Director for Direct Loans —Mike Clark
Address: 1391 N. Speer Boulevard, Suite 800-A, Denver, CO 80104-2512
Phone: 303-844-3677 Fax: 303-844-5756

Region IX-(CA, AZ, HI, NV)

Acting Regional Director for Direct Loans – Bonnie Gonzalez
Address: 50 United Nations Plaza, Room 121, San Francisco, CA 94102-4987
Phone: 415-437-8843 Fax: 415-437-8852

Region X (WA, OR, ID, AK)

Regional Director for Direct Loans – Barry Shine
Address: 1000 Second Ave., Suite 1200, Seattle, WA 98104-1023
Phone: 206-287-9840 Fax: 206-553-0800

Appendix D

Promissory Notes

Direct Loans
William D. Ford Federal Direct Loan Program

Master Promissory Note
William D. Ford Federal Direct Loan Program

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form shall be subject to penalties which may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1091.

OMB No. 1840-0732
Form Approved
Exp. Date 12/31/2001

Federal Direct Stafford/Ford Loan
Federal Direct Unsubsidized Stafford/Ford Loan

7. References: You must list two persons with different U.S. addresses who have known you for at least three years. The first reference should be a parent or legal guardian.

Name	1. ____________	2. ____________
Permanent Address	____________	____________
City, State, Zip Code	____________	____________
Area Code/Telephone Number	( ) ____________	( ) ____________
Relationship to Borrower	____________	____________

8. Requested Loan Amount: I request a total amount of subsidized and unsubsidized loans under this Master Promissory Note not to exceed the allowable maximums under the Higher Education Act. For this academic period, I request the maximum amount the school determines I am eligible to receive unless I enter a lower amount below.

Borrower Certifications and Authorizations ***Read carefully before signing below.***

12. I declare under penalty of perjury that the following is true and correct:

- I certify that the information I have provided on this Master Promissory Note and as updated by me from time to time is true, complete, and correct to the best of my knowledge and belief and is made in good faith.
- I certify that I will immediately repay any loan proceeds that cannot be attributed to educational expenses for attendance on at least a half-time basis at the school that certified my loan eligibility.
- I certify that I do not now owe a refund on a Federal Pell Grant, Supplemental Educational Opportunity Grant, or a State Student Incentive Grant and that I am not now in default on any loan received under the Federal Perkins Loan Program (including NDSL loans), the Federal Direct Loan Program (Direct Loans), or the Federal Family Education Loan Program (FFELP) or, I have made satisfactory repayment arrangements on the defaulted loan.

13. For all Direct Subsidized and Direct Unsubsidized Loans (as described in the additional Note provisions and the Borrower's Rights and Responsibilities statement) I receive under this Master Promissory Note, and for certain other loans as described below, I make the following authorizations:

- I authorize my school to certify my eligibility for loans under this Master Promissory Note.
- I authorize my school to credit my loan proceeds to my student account.
- I authorize my school to pay to the U.S. Department of Education (ED) any refund that may be due up to the full amount of the loans.
- I authorize ED to investigate my credit record and report information concerning my loan status to persons and organizations permitted by law to receive such information.
- Unless I notify ED differently, I request and authorize ED to: (i) during the in-school and grace periods of any loans made under this Note, defer and align the repayment of principal on all of my Direct Loans that are in repayment status; and (ii) add interest which I must pay that accrues on all my Direct Loans to the principal balance of such loans ("capitalization") including such loans made under this Note during periods of forbearance and, for unsubsidized loans, during in-school, grace, and deferment periods, as provided under the Act. "Capitalization" will increase the principal balance on my loans and the total amount of interest cost I incur.
- I authorize the release of information pertinent to my loans: (i) by the school and ED, to the references on the applicable loans and to members of my immediate family unless I submit written directions otherwise; and, (ii) by and among my schools, lenders, guarantors, the U.S. Department of Education, and their agents.

Promise to Pay

14. I promise to pay to the U.S. Department of Education all sums disbursed (hereafter "loan" or "loans") under the terms of this Master Promissory Note (hereafter "Note"), plus interest and other charges and fees that may become due as provided in this Note. **I understand that multiple loans may be made to me under this Note.** I understand that by accepting any disbursements issued at any time under this Note, I accept the obligation to repay the loans. I understand I may cancel or reduce the amount of any loan by refusing to accept or by returning all or a portion of any disbursement that is issued. I may pay interest that accrues on my Federal Direct Unsubsidized Stafford/Ford Loans during in-school, grace, and deferment periods, or may allow it to accumulate and be added to the principal balance of such loans. If I fail to make any payment on any loan made under this Note when due, I will also pay reasonable collection costs, including but not limited to attorney's fees, court costs, and other fees. I will not sign this Note before reading it, including the writing on the reverse side, even if otherwise advised. I am entitled to an exact copy of this Note and the Borrower's Rights and Responsibilities statement. My signature certifies I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Certifications and Authorizations printed above, the Notice on the reverse side, and the accompanying Borrower's Rights and Responsibilities statement.

I UNDERSTAND THAT I MAY RECEIVE ONE OR MORE LOANS UNDER THIS MASTER PROMISSORY NOTE, AND THAT I MUST REPAY SUCH LOAN(S).

15. Borrower's Signature ____________

16. Today's Date *(Month/Day/Year)* ____________

Additional Note Provisions follow

Direct Loans
William D. Ford Federal Direct Loan Program

William D. Ford Federal Direct Loan Program
U.S. Department of Education

WARNING: Any person who knowingly makes a false statement or misrepresentation on this form shall be subject to penalties which may include fines, imprisonment or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

OMB No. 1840-0666
Form Approved
Exp. Date

Federal Direct PLUS Loan Application and Promissory Note

19. Are you currently in default on a federal education loan, or do you owe a refund on a federal student grant? (Check one.) ☐ YES ☐ NO
If you answered "Yes" to this question, have you made satisfactory repayment arrangements? (Check one.) ☐ YES ☐ NO (If "Yes," please read instructions and attach documentation.)

I will notify the school or the Servicer in the event of the borrower's permanent and total disability or death. My signature certifies that I have read and agreed to the conditions outlined in the "Student Certification" printed on the reverse of this Loan Application and Promissory Note.

20. Signature of Student ______________________ 21. Date MM/DD/YYYY

Section D: To Be Completed By Borrower

22. **References: You must list two persons with different U.S. addresses who have known you for at least three years.**

	1.	2.
Name		
Permanent Address		
City, State, Zip Code		
Area Code/Telephone No.	( )	( )

23. Are you currently in default on a federal education loan, or do you owe a refund on a federal student grant? (Check one.) ☐ YES ☐ NO
If you answered "Yes" to this question, have you made satisfactory repayment arrangements? (Check one.) ☐ YES ☐ NO (If "Yes," please read instructions and attach documentation.)

24. Employer's Name
25. How many years with this employer?
26. Employer's Address
27. Employer's Area Code/Telephone Number
28. If it is determined that I have an adverse credit history, I would try to obtain an endorser ☐ YES ☐ NO

I promise to pay the U.S. Department of Education all sums (hereafter "loan" or "loans") disbursed under this Promissory Note plus interest and other fees which may become due, as provided in this Promissory Note. If I fail to make payments on this Promissory Note when due, I will also pay collection costs including attorney's fees and court costs. I understand that I may cancel or reduce the size of my loan by refusing any disbursement that is issued to me.

I understand that this is a Promissory Note. I will not sign this Promissory Note before reading it, even if I am advised not to read this Promissory Note. I am entitled to an exact copy of this Promissory Note and a statement of the Borrower's Rights and Responsibilities. My signature certifies that I have read, understand, and agree to the terms and conditions of this Application and Promissory Note and the statement of Borrower's Rights and Responsibilities. My signature on this Promissory Note will serve as my authorization for my loan proceeds to be credited to the student account of the student identified in Section C by the school identified in Section B.

Under penalty of perjury, I certify that the information contained in the Borrower Section (Section A) of this Promissory Note is true and accurate. The proceeds of this loan will be used for authorized educational expenses of the student named above at the certifying school for the specified loan period. I authorize the Secretary of the U.S. Department of Education to investigate my credit record and report information concerning my credit to the proper persons and organizations.

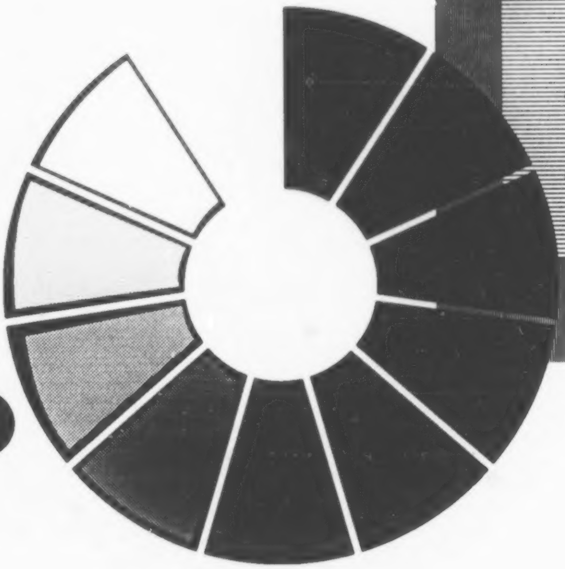
I UNDERSTAND THAT THIS IS A FEDERAL LOAN THAT I MUST REPAY.

29. Signature of Borrower ______________________ Today's Date MM/DD/YYYY

Retain a copy of this signed promissory note for your records.

Appendix E

Letters from the LOC to the School



BEST COPY AVAILABLE

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

School ID Number: SCHOOLID

Dear Financial Aid Administrator:

The William D. Ford Federal Direct Loan Program requests that all schools reconcile their loan transaction records on a monthly basis. This process assists the Direct Loan Program to better serve all borrowers and your institution.

Our records show that your institution is approximately fifteen (15) days late in submitting a reconciliation file to the Loan Origination Center (LOC). Please submit this file as soon as possible.

If you have any questions, please call your Customer Service Representative at the Loan Origination Center at (800) 848-0978. The LOC hours of operation are Monday through Friday, from 8:00 AM to 8:00 PM eastern time.

Sincerely,

Direct Loan Origination Center

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear School:

While processing the enclosed promissory note, we identified the following missing or incorrect information:

ERROR #1
ERROR #2

Please assist the borrower in completing the promissory note, assuring that the correct information has been incorporated where needed. When the information is correct and complete, please return the promissory note to the Loan Origination Center for processing.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-848-0978. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return the corrected promissory note to:

U.S. Department of Education
Loan Origination Center
School Relations
P.O. Box 5692
Montgomery, AL 36103-5692

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear School:

While processing the enclosed promissory note, we identified the following missing or incorrect information:

ERROR #1
ERROR #2

Because we are not permitted by law to alter the original promissory note, we are enclosing it for the student's records. Please assist the borrower in completing a new promissory note, assuring that the correct information has been incorporated where needed. When the new note is correct and complete, please return it to the Loan Origination Center so that processing of the loan may continue.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-848-0978. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return the borrower's new promissory note to:

U.S. Department of Education
Loan Origination Center
School Relations
P.O. Box 5692
Montgomery, AL 36103-5692

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Dear School:

We were unable to process the enclosed Federal Direct Loan promissory note because it was received too damaged to process.

Because we are not permitted by law to alter the original promissory note, we are enclosing it for the student's records. Please assist the borrower in completing a new promissory note, assuring that the correct information has been incorporated where needed. When the new note is correct and complete, please return it to the Loan Origination Center so that processing of the loan may continue.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-848-0978. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return the corrected promissory note to:

U.S. Department of Education
Loan Origination Center
School Relatiohs
P.O. Box 5692
Montgomery, AL 36103-5692

LOCL5V01

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Dear School:

While processing the enclosed Federal Direct Loan promissory note, we identified that the social security number is missing.

Please assist the borrower in completing the promissory note, assuring that the social security number is added in Section A, Item 2, in blue or black ink only, and that the borrower initials the change. When the information is correct and complete, please return the promissory note to the Loan Origination Center for processing.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-848-0978. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return the corrected promissory note to:

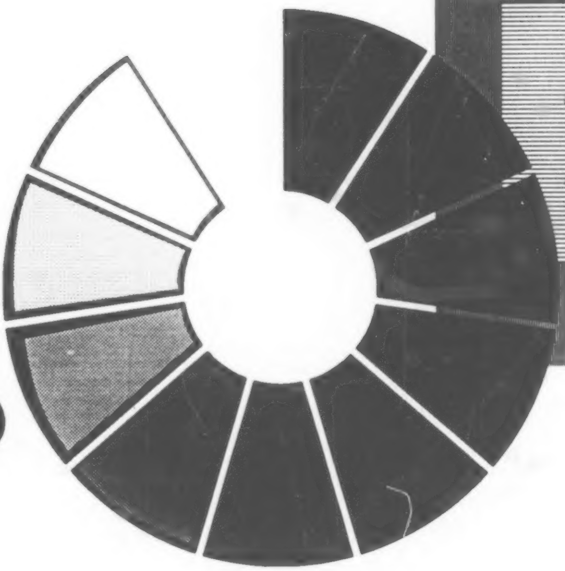
U.S. Department of Education
Loan Origination Center
School Relations
P.O. Box 5692
Montgomery, AL 36103-5692

LOCL4V01

4/15/97

Appendix F

Letters from the DLSC to Borrowers



Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER:

During the processing of your Direct loan we discovered an error on your Addendum. Unfortunately, we are unable to further process your application without a corrected Addendum.

Enclosed is a new Addendum for your signature and date.

☐ **Use only blue or black ink when completing your Addendum. Pencil will void the note.**

☐ **Do not use white-out or make erasures on any portion of the Addendum. If you need to change something that you have entered incorrectly, neatly line out the error, make the correction, and initial the correction.**

☐ **Do not alter any printed information. An altered Addendum is not valid.**

☐ **Sign the Addendum with your full name. Initials cannot be accepted.**

☐ **Make a copy of your Addendum for your records and return your signed and dated Addendum to our Applicant Services Department, using the enclosed, pre-addressed envelope, or mail it to:**

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear BORROWER,

We have carefully reviewed your application for a Federal Direct PLUS Loan, and we regret to inform you that we are unable to approve your application at this time. Our decision was based on adverse credit information obtained in a credit report from:

CREDIT BUREAU NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP
PHONE

The specific reason(s) is(are):

REASON #1
REASON #2

You have the right under the FAIR CREDIT REPORTING ACT to obtain the information in your credit file free of charge from the consumer reporting agency listed above. If you believe that this adverse credit history is incorrect, you may contact the consumer reporting agency to correct the information. The Direct Loan Origination Center cannot change any credit information obtained from a consumer reporting agency. If the information is corrected, you may contact the Loan Origination Center and request that your application be reprocessed.

If you believe that extenuating circumstances should be considered in evaluating your credit history, you may send documentation directly to the Loan Origination Center explaining your situation. Include copies of current loan statements, updated credit reports, statements from creditors confirming that you have made satisfactory agreements to repay the debt, or your personal explanation of your unique circumstances.

You may also qualify for a Direct PLUS Loan if you obtain an eligible endorser. An eligible endorser is someone who does not have adverse credit history and agrees to repay the loan if you do not. An endorser form is included for your convenience. If you choose to obtain an endorser, this form must be completed and returned to the Loan Origination Center.

OVER

LOAV1V01

Our Mission is to Ensure Equal Access to Education and to Promote Educational Excellence Throughout the Nation

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER,

Enclosed is your Direct Loan promissory note. Please review the note carefully, complete, sign, and return it to us, so we can process your loan without delay.

Please follow the application and promissory note instructions and the additional guidance below to complete your promissory note:

- ☐ **Do not attempt to change any of the pre-printed information.**
- ☐ **Use only blue or black ink when completing your promissory note. Pencil will void the note.**
- ☐ **Sign your name as it is pre-printed on the promissory note. Do not use initials.**
- ☐ **Be sure to complete the "References" section and provide all of the information requested.**
- ☐ **Do not use white-out or make erasures on any portion of the promissory note. If you need to change something that you have entered incorrectly, neatly line out the error, make the correction, and initial the correction.**
- ☐ **A statement of the Borrower's Rights and Responsibilities is also enclosed. You should read this statement before signing your promissory note and keep it with your files for later reference.**
- ☐ **Make a copy of your promissory note for your records and return your signed, completed promissory note to our Applicant Services Department, using the enclosed, pre-addressed envelope, or mail it to:**

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

OVER

LOCL1V01

Our Mission is to Ensure Equal Access to Education and to Promote Educational Excellence Throughout the Nation

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear ENDORSER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. While processing your application to endorse a Federal Direct PLUS Loan, we identified the following missing or incorrect information:

ERROR #1
ERROR #2

Because we are not permitted by law to alter your original endorser application, we are enclosing it for your records. We have also enclosed a new endorser application for you to complete, sign, and return to us. It must be completed in blue or black ink, any corrections to the information you are providing must be initialed, and the endorser application must include the date and your complete signature.

Please return the new, completed endorser application to the Loan Origination Center within 30 days so we can continue processing the student loan.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return the new, corrected endorser application to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. While processing your promissory note, we identified the following missing or incorrect information:

ERROR #1
ERROR #2

Because we are not permitted by law to alter your original promissory note, we are enclosing it for your records. We have also enclosed a new promissory note for you to complete, sign, and return to us. It must be completed in blue or black ink, any corrections to the information you are providing must be initialed, and the promissory note must include the date and your complete signature.

To assure continued timely processing of your loan, please return the new promissory note to the Loan Origination Center within 30 days.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return your new promissory note to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. We have carefully reviewed your request to consider extenuating circumstances in reevaluating your application for a Federal Direct PLUS Loan. We regret to inform you that, based upon the information you provided, your application has not been approved.

If you would still like to pursue a PLUS loan(s) you may obtain an eligible endorser. An eligible endorser is a person who does not have an adverse credit history and agrees to repay the loan if you do not. We have enclosed an "Addendum to Federal Direct PLUS Loan Promissory Note: Endorser" for your convenience. If you obtain an endorser, complete and return this form to the Loan Origination Center within 30 days.

If you do not obtain an endorser and decide not to pursue obtaining a Federal Direct PLUS Loan, please contact the financial aid office at your student's school immediately so that your records can be updated. The financial aid administrator at the student's school can also give you information about the possibility of obtaining other types of financial aid, including additional student loan funds.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please address all correspondence to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LOEC1V01

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER,

We recently mailed you a Direct Loan promissory note for you to complete, sign, and return to us. As of the date of this letter, we have not received the completed promissory note.

We cannot continue to process your loan without a valid, signed promissory note. To assure continued and timely processing of your loan, we have enclosed a new promissory note for you to complete, sign, and return to us. It must be completed in blue or black ink and the promissory note must include the date and your complete signature.

Please return the new promissory note to our Loan Origination Center within 30 days. Delays in processing your loan may result in your waiting to receive the funds you requested.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return your promissory note to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LORM1V01

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4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. While processing your promissory note, we identified the following missing or incorrect information:

ERROR #1
ERROR #2

We have enclosed your promissory note for review, correction, and/or completion. Please make your corrections in blue or black ink only. If the correction requires changing information already on the note, neatly line out the incorrect information, enter the correction, and initial the change.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return your corrected promissory note to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LORF2V01
Our Mission is to Ensure Equal Access to Education and to Promote Educational Excellence Throughout the Nation

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. We have carefully reviewed your request to consider extenuating circumstances in reevaluating your application for a Federal Direct PLUS Loan, and we have approved your application for the loan amount of $9999.00.

Your student's school has also been informed of our decision. The school will contact you with its final decision on your application. The school will also notify you when funds are disbursed, and we will contact you at that time to reconfirm the loan information. Your first payment will be due within 60 days of the final disbursement of your loan. We will notify you of the amount of your payment and the due date.

Interest is charged from the date of the first disbursement of your loan, but no payment is required until the final disbursement of the loan. Until your final disbursement, you will receive quarterly statements reflecting the interest that has accrued since the date of the first disbursement. When you receive this statement you may choose to pay the interest at that time, or have it capitalized (added to the principal loan balance) when the loan enters repayment. Instructions for payment of interest will be explained in further detail on your statement.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please address all correspondence to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear ENDORSER,

We have carefully reviewed your "Addendum to Federal Direct PLUS Loan Promissory Note: Endorser", and we are pleased to inform you that we have given approval to your application. Our decision was based on favorable information obtained in a credit report from:

CREDIT BUREAU NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP
PHONE

The student's school and the borrower, for whom you applied as the endorser, have also been advised of our decision. The school will contact the borrower when the final decision is made.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please address all correspondence to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LOAC2V01

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear BORROWER,

We have reviewed your application for a Federal Direct PLUS Loan, and are pleased to inform you that we have given approval to your application for the loan amount of $9,999.00. Our decision was based on favorable information obtained in a credit report from:

CREDIT BUREAU NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP
PHONE

Your student's school has also been informed of our decision. The school will contact you with its final decision on your application. The school will also notify you when funds are disbursed and we will again contact you at that time to reconfirm the loan information. Your first payment will be due within 60 days of the final disbursement of your loan. We will notify you of the amount of your payment and the due date.

Interest is charged from the date of the first disbursement of your loan, but no payment is required until the final disbursement of the loan. Until your final disbursement, you will receive quarterly statements reflecting the interest that has accrued since the date of the first disbursement. When you receive this statement you may choose to pay the interest at that time, or have it capitalized (added to the principal loan balance) when the loan enters into repayment. Instructions for payment of interest will be explained in further detail on your statement.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please address all correspondence to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LOAC1V01

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear ENDORSER,

We have carefully reviewed your "Addendum to Federal Direct PLUS Loan Promissory Note: Endorser", and we regret to inform you that we are unable to approve your application at this time. Our decision was based on adverse credit information obtained in a credit report from:

CREDIT BUREAU NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP
PHONE

The specific reason(s) is (are):

REASON #1
REASON #2

You have the right under the FAIR CREDIT REPORTING ACT to obtain the information in your credit file free of charge from the consumer reporting agency listed above. If you believe that this adverse credit history is incorrect, you may contact the consumer reporting agency to correct the information.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please address all correspondence to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LOAV2V01

4/15/97

Direct
Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME
Endorser Name: ENDORSER NAME

Dear BORROWER,

We recently completed processing of an "Addendum to Federal Direct PLUS Loan Promissory Note: Endorser" and are pleased to inform you that your endorser has been approved. As a result, we have given approval for your application for the loan amount of $9.999.00.

Your student's school has also been informed of our decision. The school will contact you upon its final approval of your application. They will also notify you when funds are disbursed and we will contact you again at that time to confirm the loan information. Your first payment will be due within 60 days of the final disbursement of your loan. We will notify you of the amount of your payment and the due date.

Interest is charged from the date of the first disbursement of your loan, but no payment is required until the final disbursement of the loan. Until your final disbursement, you will receive quarterly statements reflecting the interest that has accrued since the date of the first disbursement. When you receive this statement you may choose to pay the interest at that time, or have it capitalized (added to the principal loan balance) when the loan enters into repayment. Instructions for payment of interest will be explained in further detail on your statement.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please address all correspondence to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME

Dear ENDORSER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. While processing your application to endorse a Federal Direct PLUS Loan, we identified the following missing or incorrect information:

ERROR #1
ERROR #2

We have enclosed your endorser application for review, correction, and/or completion. Please make your corrections in blue or black ink only. If the correction requires changing information already on the endorser application, neatly line out the incorrect information, enter the correction, and initial the change.

Please return the completed endorser application to the Loan Origination Center within 30 days so we can continue processing the student loan.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return the new, corrected endorser application to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LORF4V01

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4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME
Endorser Name: ENDORSER NAME

Dear BORROWER,

We recently received an endorser application in conjunction with your application for a Federal Direct PLUS Loan. We regret to inform you that we are unable to approve the endorser application.

You have the option of obtaining another endorser applicant for a Federal Direct PLUS Loan or having your student discuss the possibility of obtaining other types of financial aid through the school's financial aid office. Another endorser form is enclosed for your convenience. If you choose to obtain another endorser the form must be completed and returned to the Loan Origination Center.

We will notify your student's school that your Direct PLUS loan endorser application has been denied. If you do not choose to pursue another endorser, please contact the financial aid office at your student's school immediately so your records can be updated. The school may have deadlines for canceling your application, so we recommend that you contact that office immediately to inform them of your plans.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please address all correspondence to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LOAV3V01

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Dear BORROWER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. While processing your Federal Direct Loan promissory note, we identified that the social security number is missing.

We have enclosed your promissory note for review and completion. Please add your social security number at Section A, Item 2, in blue or black ink only, and initial the change.

Please return the promissory note to our Loan Origination Center within 30 days. Delays in processing your loan may result in your waiting to receive the funds you requested.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return your corrected promissory note to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Borrower Account Number: 999999999-9-99-999999-9-99
Student Name: STUDENT NAME *(PLUS ONLY)*

Dear BORROWER,

We recently mailed you a Direct Loan promissory note for you to complete, sign, and return to us. As of the date of this letter, we have not received the completed promissory note.

We cannot continue to process your loan without a valid, signed promissory note. To assure continued and timely processing of your loan, please return the completed, signed, and dated promissory note to our Loan Origination Center within 30 days. Delays in processing your loan may result in your not receiving the funds you requested.

If you did not receive our original letter with the promissory note and instructions for its completion, or if you need another form, please contact us immediately.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return your promissory note to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

Direct Loans

William D. Ford Federal Direct Loan Program

07/01/97

Joe T Borrower
123 Sample Street
Anywhere, DC 99999

Dear Joe T Borrower:

Welcome to the William D. Ford Federal Direct Loan Program. You will find very important information listed below regarding your PLUS loan, including your borrower account and loan identification number, the amount of the loan you received, as well as other loan information. In addition, the fact sheet on the reverse side contains information on the flexible repayment options available to you, provides details on loan consolidation, and tells you how to contact our Borrower Services Representatives. Please keep this letter available for future reference. Before reviewing the specific loan information, please take note of the following important reminders about your loan:

- This is a loan—not a grant, award, or scholarship. This loan must be repaid according to the schedule you agree to when you enter repayment.

- You may have other loans in addition to this one, but the information contained in this letter refers only to your Ford Federal Direct PLUS Loan. We will send you future statements covering all of your Direct Loans, and your school may also send you notices regarding your loans.

- The interest rate on your loan is variable (not to exceed 9.00 percent) and the current rate is provided below. You may pay in full the amount you have borrowed at any time without being charged any prepayment penalty.

Our records show that your school has already disbursed a portion of your Ford Federal Direct PLUS Loan to you-- either to your school account, or directly to you by check. If this does not agree with your records, or if any of the information shown below is not correct, please contact us as noted in the Borrower Services section of the fact sheet on the reverse side of this letter.

Thank you for participating in the William D. Ford Federal Direct Loan Program.

Loan Information

Loan I.D. Number:	999999999P97G01234101	Borrower Account No:	999-99-9999-1
Type of Loan:	PLUS	Interest Rate:	8.72
School Name:	USA University	Expected Graduation Date:	01/01/99

Total Direct Loan Indebtedness For This Loan (including this disbursement):	8000.00
Loan Amount Approved:	8000.00
Amount of This Disbursement:	4000.00
Loan Fee (deducted from this disbursement):	160.00
Net Proceeds:	3840.00
Date of Loan Disbursement:	01/01/98

CON1PV03

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Direct Loans
William D. Ford Federal Direct Loan Program

NAME
ADDRESS1
ADDRESS2
CITY, STATE ZIP

DATE

Dear BORROWER,

Thank you for your interest in the William D. Ford Federal Direct Loan Program. We were unable to process your Federal Direct Loan promissory note because it was received too damaged to process.

We cannot continue to process your loan without a valid, signed promissory note. To assure continued and timely processing of your loan, we have enclosed a new promissory note for you to complete, sign, and return to us. It must be completed in blue or black ink and the promissory note must include the date and your complete signature.

Please return the new promissory note to our Loan Origination Center within 30 days. Delays in processing your loan may result in your waiting to receive the funds you requested.

If you have any questions, the Loan Origination Center is available to assist you from 8:00 AM to 8:00 PM, eastern time, Monday through Friday. We can be reached, toll-free, at 1-800-557-7394. The hearing impaired toll-free TDD number is 1-800-557-7395.

Please return your new promissory note to:

U.S. Department of Education
Loan Origination Center
Applicant Services
P.O. Box 5691
Montgomery, AL 36103-5691

LOCL3V01

Our Mission is to Ensure Equal Access to Education and to Promote Educational Excellence Throughout the Nation

4/15/97

Direct Loans
William D. Ford Federal Direct Loan Program

07/01/97

Joe T Borrower
123 Sample Street
Anywhere, DC 99999

Dear Joe T Borrower

Welcome to the William D. Ford Federal Direct Loan Program. You will find very important information listed below regarding your Federal Direct Unsubsidized Loan, including your borrower account and loan identification number, the amount of the loan you received, as well as other loan information. In addition, the fact sheet on the reverse side contains information on the flexible repayment options available to you, provides details on loan consolidation, and tells you how to contact our Borrower Services Representatives. Please keep this letter available for future reference. Before reviewing the specific loan information, please take note of the following important reminders about your loan:

- This is a loan--not a grant, award, or scholarship. This loan must be repaid according to the schedule you agree to when you enter repayment.
- You may have other loans in addition to this one, but the information contained in this letter refers only to your Ford Federal Direct Unsubsidized Loan. We will send you future statements covering all of your Direct Loans, and your school may also send you notices regarding your loans.
- The interest rate on your loan is variable (not to exceed 8.25 percent) and the current rate is provided below. You may pay in full the amount you have borrowed at any time without being charged any prepayment penalty. To reduce the amount you will have to repay, you may wish to pay interest as it accrues while you are in school.

Our records show that your school has already disbursed a portion of your Ford Federal Direct Unsubsidized Loan to you-- either to your school account, or directly to you by check. If this does not agree with your records, or if any of the information shown below is not correct, please contact us as noted in the Borrower Services section of the fact sheet on the reverse side of this letter.

Thank you for participating in the William D. Ford Federal Direct Loan Program.

Loan Information

Loan I.D. Number:	999999999U97G01234101	Borrower Account No:	999-99-9999-1
Type of Loan:	Unsubsidized	Interest Rate:	8.25
School Name:	USA University	Expected Graduation Date:	01/01/99

Total Direct Loan Indebtedness For This Loan (including this disbursement):	5000.00
Loan Amount Approved:	5000.00
Amount of This Disbursement:	2500.00
Loan Fee (deducted from this disbursement):	100.00
Net Proceeds:	2400.00
Date of Loan Disbursement:	01/01/98

CON1UV04

Direct Loans
William D. Ford Federal Direct Loan Program

07/01/97

Joe T Borrower
1 Sample Street
Anywhere, DC 99999

Dear Joe T Borrower:

Welcome to the William D. Ford Federal Direct Loan Program. You will find very important information listed below regarding your Federal Direct Subsidized Loan, including your borrower account and loan identification number, the amount of the loan you received, as well as other loan information. In addition, the fact sheet on the reverse side contains information on the flexible repayment options available to you, provides details on loan consolidation, and tells you how to contact our Borrower Services Representatives. Please keep this letter available for future reference. Before reviewing the specific loan information, please take note of the following important reminders about your loan:

- This is a loan--not a grant, award, or scholarship. This loan must be repaid according to the schedule you agree to when you enter repayment.
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- The interest rate on your loan is variable (not to exceed 8.25 percent) and will be determined at the time you enter repayment. You may pay in full the amount you have borrowed at any time without being charged any prepayment penalty.

Our records show that your school has already disbursed a portion of your Ford Federal Direct Subsidized Loan to you--either to your school account, or directly to you by check. If this does not agree with your records, or if any of the information shown below is not correct, please contact us as noted in the Borrower Services section of the fact sheet on the reverse side of this letter.

Thank you for participating in the William D. Ford Federal Direct Loan Program.

Loan Information

Loan I.D. Number:	999999999S97G01234101	Borrower Account No:	999-99-9999-1
Type of Loan:	Subsidized	Interest Rate:	8.25
School Name:	USA UNIVERSITY	Expected Graduation Date:	01/01/99

Total Direct Loan Indebtedness For This Loan (including this disbursement):	10000.00
Loan Amount Approved:	10000.00
Amount of This Disbursement:	5000.00
Loan Fee (deducted from this disbursement):	200.00
Net Proceeds:	4800.00
Date of Loan Disbursement:	01/01/98

CON/SV04

Our Mission is to Ensure Equal Access to Education and to Promote Educational Excellance Throughout the Nation

Loans U.S. Department of Education

ACCOUNT NUMBER: 888-88-8882-1

February 3, 199

JOE T. BORROWER
1 SAMPLE STREET
ANYWHERE DC 99999

ACCOUNT STATEMENT

The Direct Loan Service Center was established for servicing your Direct Student loans. Our charter is to provide you timely, expert assistance and information throughout the life of your Direct Student Loan.

This account statement reflects information on your account as of FEBRUARY 03, 1997. The balance includes all loans you requested to consolidate. Checks have been sent to your original lenders to pay off existing loans. Please allow them sufficient time to close out your account and return your paid-in-full notes.

A disclosure statement outlining repayment terms has been or will be mailed to you.

** INTEREST PAID 1/1/96 - 12/31/96 WAS $29.00 **

OUR RECORDS INDICATE

NET DISBURSEMENT AMOUNT	$2,109.60	LOAN TYPE	CONC CONSOL
CAPITALIZED INTEREST	$.00	SOCIAL SECURITY NO.	888-88-8882
TOTAL PRINCIPAL PAID	$.00	TELEPHONE NO.	(212)555-1111
TOTAL INTEREST PAID	$29.00	LOAN STATUS	REPAYMENT
TOTAL LATE CHARGES PAID	$.00	CURRENTLY ENROLLED AT	
OUTSTANDING PRINCIPAL BAL.	$2,109.60		
LAST PAYMENT DEPOSITED	5/23/1996	☐ FULL TIME ☐ HALF TIME ☐ PART TIME	
TO PRINCIPAL	$.00	FORBEARANCE EXPIRES	
TO INT. $14.50 LATE CHARGE	0.00	EXPECTED/ACTUAL SEPARATION DATE	
LATE CHARGES DUE $	0.00		03/31/1996
PAST DUE AMOUNT $	0.00	DEFERMENT EXPIRES	
CURRENT DUE AMOUNT $	81.71	FIRST/NEXT INSTALLMENT	02/28/1997
TOTAL AMOUNT DUE $	81.71	ACCRUED INT. THROUGH	02/03 126.86

Please refer to the back of this statement for important information.

Direct Loans

William D. Ford Federal Direct Loan Program
U.S. Department of Education

ACCOUNT NUMBER 999-99-9919-1

February 3, 199

JOE T. BORROWER
1 SAMPLE STREET
ANYWHERE DC 99999

ACCOUNT STATEMENT

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A disclosure statement outlining repayment terms has been or will be mailed to you.

** INTEREST PAID 1/1/96 - 12/31/96 WAS $25.00 **

OUR RECORDS INDICATE

NET DISBURSEMENT AMOUNT	$2,345.30	LOAN TYPE	CONC CONSOL
CAPITALIZED INTEREST	$.00	SOCIAL SECURITY NO.	999-99-9919
TOTAL PRINCIPAL PAID	$.00	TELEPHONE NO.	(212)555-1111
TOTAL INTEREST PAID	$25.00	LOAN STATUS	REPAYMENT
TOTAL LATE CHARGES PAID	$.00	CURRENTLY ENROLLED A	
OUTSTANDING PRINCIPAL BAL.	$2,345.30		
LAST PAYMENT DEPOSITED	12/24/1996	☐ FULL TIME ☐ HALF TIME ☐ PART TIME	
TO PRINCIPAL	$.00	FORBEARANCE EXPIRES	
TO INT. $25.00 LATE CHARGE	0.00	EXPECTED/ACTUAL SEPARATION DATE	
LATE CHARGES DUE $	0.00		11/30/1996
PAST DUE AMOUNT $	25.00	DEFERMENT EXPIRES	
CURRENT DUE AMOUNT $	25.00	FIRST/NEXT INSTALLMENT	02/28/1997
TOTAL AMOUNT DUE $	50.00	ACCRUED INT. THROUGH 01/31	23.16

Please refer to the back of this statement for important information.

Our Mission is to Ensure Equal Access to Education and to Promote Educational Excellence Throughout the Nation

Direct Loans

William D. Ford Federal Direct Loan Program
U.S. Department of Education

ACCOUNT NUMBER 888-88-8882-1

February 3, 199

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ANYWHERE DC 99999

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** INTEREST PAID 1/1/96 - 12/31/96 WAS $29.00 **

OUR RECORDS INDICATE

			CONC
NET DISBURSEMENT AMOUNT	$2,109.60	LOAN TYPE	CONSOL
CAPITALIZED INTEREST	$.00	SOCIAL SECURITY NO.	888-88-8882
TOTAL PRINCIPAL PAID	$.00	TELEPHONE NO.	(212)555-1111
TOTAL INTEREST PAID	$29.00	LOAN STATUS	REPAYMENT
TOTAL LATE CHARGES PAID	$.00	CURRENTLY ENROLLED AT	
OUTSTANDING PRINCIPAL BAL.	$2,109.60		
LAST PAYMENT DEPOSITED	5/23/1996	☐ FULL TIME ☐ HALF TIME ☐ PART TIME	
TO PRINCIPAL	$.00	FORBEARANCE EXPIRES	
TO INT. $14.50 LATE CHARGE	0.00	EXPECTED/ACTUAL SEPARATION DATE	
LATE CHARGES DUE $	0.00		03/31/1996
PAST DUE AMOUNT $	0.00	DEFERMENT EXPIRES	
CURRENT DUE AMOUNT $	81.71	FIRST/NEXT INSTALLMENT	02/28/1997
TOTAL AMOUNT DUE $	81.71	ACCRUED INT. THROUGH 02/03	126.86

Please refer to the back of this statement for important information.

ADDITIONAL INFORMATION ABOUT YOUR LOAN

If any of the information in this notice is incorrect, please contact the Direct Loan Servicing Center.

The Direct Loan Servicing Center Borrower Services Department was created to assist you with all matters regarding your Direct Loan. Please feel free to call us from 8:00 AM to 8:30 PM Eastern Time, Monday through Friday at 1-800-848-0979. Hearing impaired individuals who have access to a TDD (Telecommunications Device for the Deaf) can call 1-800-848-0983. If you would prefer to write, please direct your correspondence to:

U.S. Department of Education
Borrower Services Department
Direct Loan Servicing Center
P.O. Box 4609
Utica, New York 13504-4609

Please keep us posted on any changes in your name, address, student status, or the date you plan to leave school -- this information directly affects the status of your loan.

Direct Loans
William D. Ford Federal Direct Loan Program
U.S. Department of Education

ACCOUNT NUMBER 999-99-9919-1

February 3, 1997

JOE T. BORROWER
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BEST COPY AVAILABLE

** INTEREST PAID 1/1/96 - 12/31/96 WAS $25 00 **

OUR RECORDS INDICATE

				CONC
NET DISBURSEMENT AMOUNT		$2,345.30	LOAN TYPE	CONSOL
CAPITALIZED INTEREST		$.00	SOCIAL SECURITY NO.	999-99-9919
TOTAL PRINCIPAL PAID		$.00	TELEPHONE NO.	(212)555-1111
TOTAL INTEREST PAID		$25.00	LOAN STATUS	REPAYMENT
TOTAL LATE CHARGES PAID		$.00	CURRENTLY ENROLLED AT	
OUTSTANDING PRINCIPAL BAL		$2,345.30		
LAST PAYMENT DEPOSITED		12/24/1996	☐ FULL TIME ☐ HALF TIME ☐ PART TIME	
TO PRINCIPAL		$.00	FORBEARANCE EXPIRES	
TO INT. $25.00 LATE CHARGE		0.00	EXPECTED/ACTUAL SEPARATION DATE	
LATE CHARGES DUE	$	0.00		11/30/1996
PAST DUE AMOUNT	$	25.00	DEFERMENT EXPIRES	
CURRENT DUE AMOUNT	$	25.00	FIRST/NEXT INSTALLMENT	02/28/1997
TOTAL AMOUNT DUE	$	50.00	ACCRUED INT. THROUGH 01/31	23.16

Please refer to the back of this statement for important information.

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Utica, New York 13504-4609

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Federal Direct Loan Program

Loans U.S. Department of Education

ACCOUNT NUMBER 999-99-9999-1

February 3, 19

JOE T. BORROWER
1 SAMPLE STREET
ANYWHERE DC 99999

ACCOUNT STATEMENT

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OUR RECORDS INDICATE

CONC

NET DISBURSEMENT AMOUNT		$16,234.56	LOAN TYPE	CONSOL
CAPITALIZED INTEREST		$.00	SOCIAL SECURITY NO.	999-99-9999
TOTAL PRINCIPAL PAID		$.00	TELEPHONE NO.	(202)555-1111
TOTAL INTEREST PAID		$.00	LOAN STATUS	REPAYMENT
TOTAL LATE CHARGES PAID		$.00	CURRENTLY ENROLLED AT	
OUTSTANDING PRINCIPAL BAL.		$16,234.56		
LAST PAYMENT DEPOSITED			☐ FULL TIME ☐ HALF TIME ☐ PART TIME	
TO PRINCIPAL		$.00	FORBEARANCE EXPIRES	
TO INT. $.00 LATE CHARGE		0.00	EXPECTED/ACTUAL SEPARATION DATE	
LATE CHARGES DUE	$	0.00		01/31/1997
PAST DUE AMOUNT	$	0.00	DEFERMENT EXPIRES	
CURRENT DUE AMOUNT	$	103.13	FIRST/NEXT INSTALLMENT	02/14/1997
TOTAL AMOUNT DUE	$	103.13	ACCRUED INT. THROUGH 01/31	599.68

Please refer to the back of this statement for important information.

ADDITIONAL INFORMATION ABOUT YOUR LOAN

If any of the information in this notice is incorrect, please contact the Direct Loan Servicing Center.

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